

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

**National Bank Limited**

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Auditors' report and consolidated financial statements  
for the year ended 31 December 2015

**S. F. AHMED & CO**

Chartered Accountants

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**National Bank Limited**

**Independent Auditors' Report to the Shareholders**  
**For the year ended 31 December 2015**

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We have audited the accompanying consolidated financial statements of National Bank Limited and its subsidiaries (the Group) as well as the separate financial statements of National Bank Limited (the Bank) which comprise the consolidated and the separate balance sheet as at 31 December 2015, the consolidated and separate profit and loss statements, consolidated and separate statements of changes in equity, consolidated and separate cash flow statements, liquidity statement for the year then ended, and a summary of significant accounting policies and other explanatory notes and annexures thereto.

**Management's responsibility for the financial statements and internal controls**

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in the relevant notes and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Banking Companies Act 1991 (as amended in 2013) and the Bangladesh Bank Regulations require the management to ensure effective internal audit, internal control and risk management functions of the Bank. 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.

**Auditors' responsibility**

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statements of the Bank based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain a reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Bank are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and the separate financial statements of the Bank. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Bank, whether due to fraud and error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements of the Group and the separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the consolidated financial statements of the Group and also the separate financial statements of the Bank.

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 consolidated financial statements of the Group and also the separate financial statements of the Bank referred to above both of which have been prepared in the format prescribed by Bangladesh Bank vide circular no. 14 dated 25 June 2003 and in accordance with Bangladesh Financial Reporting Standards and Bangladesh Accounting Standards, read in conjunction with notes, give a true and fair view of the financial position of the Group and of the Bank as at 31 December 2015 and financial performance of the Group and the Bank and their cash flows for the year then ended.



**National Bank Limited**

**Independent Auditors' Report to the Shareholders  
For the year ended 31 December 2015**

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**Report on other legal and regulatory requirements**

In accordance with the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987, the Banking Companies Act 1991 ( as amended in 2013) and the rules and regulations issued by Bangladesh Bank, we also report the following:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) to the extent noted during the course of our audit work performed on the basis stated under the 'auditors' responsibility' section in forming the above opinion on the consolidated financial statements of the Group and the financial statements of the Bank 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' section for the financial statements and internal control:
  - (i) internal audit, internal control and risk management arrangements of the Group and the Bank appeared to be materially adequate;
  - (ii) 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 Bank and its related entities;
- (c) financial statements of all subsidiaries of the Bank which have been audited by other auditors have been properly reflected in the consolidated financial statements;
- (d) 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
- (e) the consolidated balance sheet and consolidated profit and loss statement of the Group and the separate balance sheet and separate profit and loss statement of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditures incurred during the year were for the purposes of the business;
- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate provisions have been made to the extent in concurrence with Bangladesh Bank for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanations required by us have been received and found to be satisfactory; and
- (k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 3,200 person hours for the audit of the books and account of the Bank.

Dhaka, Bangladesh  
Dated, 28 April 2016



  
S. F. AHMED & CO  
Chartered Accountants

National Bank Limited and Its Subsidiaries

Consolidated Balance Sheet  
As at 31 December 2015

	Notes	2015 BDT	2014 BDT
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>		<b>18,813,328,899</b>	<b>17,878,886,161</b>
In hand (including foreign currencies)	3	2,348,299,493	2,246,921,914
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	16,465,029,406	15,631,964,247
<b>Balance with other banks and financial institutions</b>	5	<b>8,546,503,406</b>	<b>3,724,625,338</b>
In Bangladesh		6,228,783,098	1,098,452,208
Outside Bangladesh		2,317,720,308	2,626,173,130
<b>Money at call and on short notice</b>	6	<b>1,495,300,000</b>	<b>98,300,000</b>
<b>Investments</b>	7	<b>59,278,445,764</b>	<b>54,390,596,745</b>
Government		51,345,240,061	46,318,501,027
Others		7,933,205,703	8,072,095,718
<b>Loans and advances</b>	8	<b>187,448,375,121</b>	<b>173,968,771,356</b>
Loans, cash credits, overdrafts, etc		182,992,015,805	168,329,551,223
Bills purchased and discounted		4,456,359,316	5,639,220,133
<b>Fixed assets including premises, furniture and fixtures</b>	9	<b>2,788,266,228</b>	<b>2,804,804,431</b>
<b>Other assets</b>	10	<b>4,009,953,007</b>	<b>4,178,288,531</b>
<b>Non-banking assets</b>	2.6.5	<b>335,820,241</b>	<b>335,820,241</b>
<b>Total assets</b>		<b>282,715,992,666</b>	<b>257,380,092,803</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	11	<b>4,161,760,014</b>	<b>9,176,323,404</b>
<b>Deposits and other accounts</b>	12	<b>221,629,963,400</b>	<b>202,771,974,764</b>
Current deposit and other accounts		20,693,115,937	19,949,019,076
Bills payable		2,501,292,434	2,624,680,314
Savings bank deposits		32,942,064,340	28,714,088,244
Fixed deposits		110,315,043,225	105,576,214,173
Term deposit		55,178,447,464	45,907,972,957
<b>Subordinated bonds</b>	2.19	<b>1,280,000,000</b>	<b>1,600,000,000</b>
<b>Other liabilities</b>	13	<b>22,202,555,979</b>	<b>16,972,564,468</b>
<b>Total liabilities</b>		<b>249,274,279,393</b>	<b>230,520,862,636</b>
<b>Shareholders' equity</b>			
<b>Total shareholders' equity</b>		<b>33,441,713,273</b>	<b>26,859,230,167</b>
Paid-up capital	14.2	17,177,199,240	15,615,635,680
Statutory reserve	15	9,707,793,205	8,439,142,029
General reserve	16	53,192,892	65,396,935
Other reserve	17	4,014,930,622	1,274,947,661
Retained earnings	18	2,488,521,769	1,464,019,449
		<b>33,441,637,728</b>	<b>26,859,141,754</b>
Non-controlling (minority) interest		75,545	88,413
<b>Total liabilities and shareholders' equity</b>		<b>282,715,992,666</b>	<b>257,380,092,803</b>



National Bank Limited and Its Subsidiaries

Consolidated Balance Sheet  
As at 31 December 2015

	Notes	2015 BDT	2014 BDT
<b>OFF-BALANCE SHEET ITEMS</b>			
<b>Contingent liabilities</b>			
		<b>51,470,564,416</b>	<b>63,525,835,160</b>
Acceptances and endorsements		17,821,424,110	26,589,876,531
Letters of guarantee	19	12,228,496,864	13,175,262,833
Irrevocable letters of credit		14,617,995,824	16,031,139,941
Bills for collection		6,802,647,618	7,729,555,855
Other contingent liabilities		-	-
<b>Other commitments</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		-	-
Other exchange contracts		-	-
<b>Total off-balance sheet items including contingent liabilities</b>		<b>51,470,564,416</b>	<b>63,525,835,160</b>

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

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date



Dhaka, Bangladesh  
Dated, 28 April 2016

S. F. AHMED & CO  
Chartered Accountants

National Bank Limited and Its Subsidiaries

Consolidated Profit and Loss Statement  
For the year ended 31 December 2015

	Notes	2015 BDT	2014 BDT
Interest income	20	19,526,151,534	20,628,448,078
Less: Interest paid on deposits and borrowings, etc	21	16,551,212,187	16,511,700,268
<b>Net interest income</b>		<b>2,974,939,347</b>	<b>4,116,747,810</b>
Investment income	22	7,941,834,565	5,979,263,131
Commission, exchange and brokerage	23	1,762,877,701	2,003,135,191
Other operating income	24	736,485,820	761,411,373
		<b>10,441,198,086</b>	<b>8,743,809,695</b>
<b>Total operating income</b>		<b>13,416,137,433</b>	<b>12,860,557,505</b>
Salaries and allowances	25	3,185,500,653	3,032,212,539
Rent, taxes, insurance, electricity, etc	26	624,967,648	597,580,631
Legal expenses	27	25,156,404	25,878,389
Postage, stamp, telecommunication, etc	28	83,737,708	81,292,776
Stationery, printing, advertisement, etc	29	156,859,032	114,146,222
Managing Director's salary and allowances	30	7,496,452	6,678,709
Directors' fees and other benefits	31	5,102,293	3,669,404
Auditors' fees	32	1,686,713	1,445,882
Charges on loan losses		8,792,391	1,345,510,729
Repairs, maintenance and depreciation	33	488,204,917	391,469,991
Other expenses	34	478,411,560	431,312,461
<b>Total operating expenses</b>		<b>5,065,915,771</b>	<b>6,031,197,733</b>
		<b>8,350,221,662</b>	<b>6,829,359,772</b>
<b>Effect of changes of exchange rates</b>		<b>(485,397)</b>	<b>239,618</b>
<b>Profit before provision</b>		<b>8,349,736,265</b>	<b>6,829,599,390</b>
Provision for loans and advances			
Specific provision	13.2(a)	1,560,000,000	365,000,000
General provision (Including off-balance sheet items)	13.2(b)	-	440,000,000
Provision for good borrowers	13.2(d)	10,000,000	-
		<b>1,570,000,000</b>	<b>805,000,000</b>
Provisions for other classified assets	13.4	376,083,630	810,514,480
<b>Total provision</b>		<b>1,946,083,630</b>	<b>1,615,514,480</b>
<b>Total profit before taxes</b>		<b>6,403,652,635</b>	<b>5,214,084,910</b>
Provision for taxation			
Current tax	13.1	2,532,994,856	2,504,059,923
Deferred tax	13.6	(10,777,503)	27,098,612
		<b>2,522,217,353</b>	<b>2,531,158,535</b>
<b>Net profit after tax</b>		<b>3,881,435,282</b>	<b>2,682,926,375</b>
<b>Net profit after tax attributable to:</b>			
<b>Non-controlling interests</b>		<b>(12,868)</b>	<b>(7,467)</b>
<b>Equity holders of parent company</b>		<b>3,881,448,150</b>	<b>2,682,933,842</b>
<b>Net profit after taxation without non-controlling interests</b>		<b>3,881,448,150</b>	<b>2,682,933,842</b>
Retained earnings brought forward from previous year		1,464,019,449	1,290,340,814
		<b>5,345,467,599</b>	<b>3,973,274,656</b>
<b>Appropriations</b>			
Statutory reserve	15	(1,268,651,176)	(1,027,478,419)
Transferred to general reserve (overseas operation)		(16,524,000)	(47,596,116)
Dividend paid by overseas subsidiaries		(10,207,094)	(14,577,432)
<b>Dividend:</b>			
10% bonus share for 2013 and 2014		(1,561,563,560)	(1,419,603,240)
		<b>(2,856,945,830)</b>	<b>(2,509,255,207)</b>
<b>Retained earnings carried forward</b>		<b>2,488,521,769</b>	<b>1,464,019,449</b>
<b>Earnings per share (EPS) restated</b>	37	<b>2.26</b>	<b>1.56</b>

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

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date

Dhaka, Bangladesh  
Dated, 28 April 2016



S. F. AHMED & CO  
Chartered Accountants

National Bank Limited and Its Subsidiaries

Consolidated Statement of Changes in Equity  
For the year ended 31 December 2015

Particulars	Paid-up capital	Statutory reserve	General reserve	Other reserve	Retained earnings	Total	Non-controlling interest	Total equity
	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Balance on 01 January 2015	15,615,635,680	8,439,142,029	65,396,935	1,274,947,661	1,464,019,449	26,859,141,754	88,413	26,859,230,167
Net profit for the year	-	-	-	-	3,881,448,150	3,881,448,150	(12,868)	3,881,435,282
Bonus shares for 2014 issued during the year	1,561,563,560	-	-	-	(1,561,563,560)	-	-	-
Cash dividend paid by overseas subsidiaries	-	-	-	-	(10,207,094)	(10,207,094)	-	(10,207,094)
Transferred to statutory reserve	-	1,268,651,176	-	-	(1,268,651,176)	-	-	-
Revaluation of Government treasury bills, bonds and other investment	-	-	-	2,739,982,961	-	2,739,982,961	-	2,739,982,961
Transferred to general reserve	-	-	16,524,000	-	(16,524,000)	-	-	-
Bonus shares issued by overseas subsidiaries	-	-	(28,728,043)	-	-	(28,728,043)	-	(28,728,043)
<b>Balance at 31 December 2015</b>	<b>17,177,199,240</b>	<b>9,707,793,205</b>	<b>53,192,892</b>	<b>4,014,930,622</b>	<b>2,488,521,769</b>	<b>33,441,637,728</b>	<b>75,545</b>	<b>33,441,713,273</b>
<b>Balance at 31 December 2014</b>	<b>15,615,635,680</b>	<b>8,439,142,029</b>	<b>65,396,935</b>	<b>1,274,947,661</b>	<b>1,464,019,449</b>	<b>26,859,141,754</b>	<b>88,413</b>	<b>26,859,230,167</b>

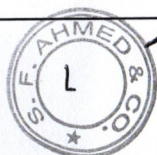
for National Bank Limited

Managing Director

Director

Director

Chairman



Dhaka, Bangladesh  
Dated, 28 April 2016

See annexed report of the date

S. F. AHMED & CO  
Chartered Accountants

National Bank Limited and Its Subsidiaries

Consolidated Cash Flow Statement  
For the year ended 31 December 2015

	Note	2015 BDT	2014 BDT
<b>A) Cash flows from operating activities</b>			
Interest received		19,071,862,379	21,047,592,457
Interest paid		(16,864,384,221)	(16,615,758,584)
Income from Investment		5,348,564,368	4,913,897,738
Fees, commission, exchange and brokerage		1,762,877,701	2,003,135,191
Cash paid to employees		(3,198,099,398)	(3,042,560,652)
Cash paid to suppliers		(1,085,869,514)	(920,270,819)
Income taxes paid	13.1	(2,337,375,599)	(1,442,616,790)
Received from other operating activities		735,312,031	757,376,801
Paid for other operating activities		(475,262,477)	(431,309,290)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>2,957,625,270</b>	<b>6,269,486,052</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Sale of trading securities		47,324,474	646,380,260
Purchase of trading securities		(107,259,145)	(87,476,213)
Loans and advances to other banks		-	-
Loans and advances to customers		(10,201,477,231)	(21,494,645,612)
Other assets		(92,027,239)	(1,962,796,817)
Deposits from other banks		519,422,858	(4,548,616,552)
Deposits from customers		18,338,565,778	14,201,830,151
Other liabilities		5,303,416,679	1,555,163,854
		<b>13,807,966,174</b>	<b>(11,690,160,929)</b>
<b>Net cash from / (used in) operating activities</b>		<b>16,765,591,444</b>	<b>(5,420,674,877)</b>
<b>B) Cash flows from investing activities</b>			
Proceeds from sale of Government and unquoted securities		67,974,447,277	45,703,238,368
Investment made during the year (Govt. and unquoted securities)		(71,716,351,209)	(44,429,018,237)
Purchase of property, plant and equipment		(296,920,073)	(431,680,828)
Sale proceeds of fixed assets		10,003,383	4,451,699
<b>Net cash from / (used in) investing activities</b>		<b>(4,028,820,622)</b>	<b>846,991,002</b>
<b>C) Cash flows from financing activities</b>			
Borrowings from other banks, financial institutions and agents		(5,278,529,527)	5,854,203,775
Redemption of sub-ordinated bonds		(320,000,000)	(400,000,000)
Cash dividend paid		-	-
<b>Net cash from / (used in) financing activities</b>		<b>(5,598,529,527)</b>	<b>5,454,203,775</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>7,138,241,295</b>	<b>880,519,900</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>		<b>13,478,511</b>	<b>3,924,407</b>
		<b>7,151,719,806</b>	<b>884,444,307</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>21,711,017,199</b>	<b>20,826,572,892</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>28,862,737,005</b>	<b>21,711,017,199</b>
<b>Cash and cash equivalents at end of the year</b>			
Cash in hand (including foreign currencies)		2,348,299,493	2,246,921,914
Balances with Bangladesh Bank and its agent bank (s)		16,465,029,406	15,631,964,247
Balances with other banks and financial institutions		8,546,503,406	3,724,625,338
Money at call and on short notice		1,495,300,000	98,300,000
Reverse repo		-	-
Prize bonds		7,604,700	9,205,700
		<b>28,862,737,005</b>	<b>21,711,017,199</b>

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date



Dhaka, Bangladesh  
Dated, 28 April 2016

S. F. AHMED & CO  
Chartered Accountants



National Bank Limited

Balance Sheet  
As at 31 December 2015

	Notes	2015 BDT	2014 BDT
<b>PROPERTY AND ASSETS</b>			
<b>Cash</b>		<b>18,766,874,352</b>	<b>17,813,280,687</b>
In hand (including foreign currencies)	3	2,301,844,946	2,181,316,440
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	16,465,029,406	15,631,964,247
<b>Balance with other banks and financial institutions</b>	5	<b>8,318,634,416</b>	<b>3,535,896,025</b>
In Bangladesh		6,054,058,454	940,498,680
Outside Bangladesh		2,264,575,962	2,595,397,345
<b>Money at call and on short notice</b>	6	<b>1,495,300,000</b>	<b>98,300,000</b>
<b>Investments</b>	7	<b>59,658,523,102</b>	<b>54,885,523,925</b>
Government		51,345,240,061	46,318,501,027
Others		8,313,283,041	8,567,022,898
<b>Loans and advances</b>	8	<b>186,179,451,869</b>	<b>172,964,721,444</b>
Loans, cash credits, overdrafts, etc		181,723,092,553	167,325,501,311
Bills purchased and discounted		4,456,359,316	5,639,220,133
<b>Fixed assets including premises, furniture and fixtures</b>	9	<b>2,748,260,700</b>	<b>2,763,519,975</b>
<b>Other assets</b>	10	<b>4,066,341,209</b>	<b>4,140,400,140</b>
<b>Non-banking assets</b>	2.6.5	<b>335,820,241</b>	<b>335,820,241</b>
<b>Total assets</b>		<b>281,569,205,889</b>	<b>256,537,462,437</b>
<b>LIABILITIES AND CAPITAL</b>			
<b>Liabilities</b>			
<b>Borrowings from other banks, financial institutions and agents</b>	11	<b>3,897,793,877</b>	<b>9,176,323,404</b>
<b>Deposits and other accounts</b>	12	<b>222,112,905,248</b>	<b>203,296,182,435</b>
Current deposit and other accounts		20,728,154,666	19,967,086,570
Bills payable		2,501,292,434	2,624,680,314
Savings bank deposits		32,942,064,340	28,714,088,244
Fixed deposits		110,601,621,855	105,576,214,173
Term deposit		55,339,771,953	46,414,113,134
<b>Subordinated bonds</b>	2.19	<b>1,280,000,000</b>	<b>1,600,000,000</b>
<b>Other liabilities</b>	13	<b>20,720,541,848</b>	<b>15,501,008,024</b>
<b>Total liabilities</b>		<b>248,011,240,973</b>	<b>229,573,513,863</b>
<b>Shareholders' equity</b>			
<b>Total shareholders' equity</b>		<b>33,557,964,916</b>	<b>26,963,948,574</b>
Paid-up capital	14.2	17,177,199,240	15,615,635,680
Statutory reserve	15	9,707,793,205	8,439,142,029
Other reserve	17	4,014,930,622	1,274,947,661
Retained earnings	18	2,658,041,849	1,634,223,204
<b>Total liabilities and shareholders' equity</b>		<b>281,569,205,889</b>	<b>256,537,462,437</b>



National Bank Limited

Balance Sheet  
As at 31 December 2015

	Notes	2015 BDT	2014 BDT
<b>Contingent liabilities</b>		<b>51,470,564,416</b>	<b>63,525,835,160</b>
Acceptances and endorsements		17,821,424,110	26,589,876,531
Letters of guarantee	19	12,228,496,864	13,175,262,833
Irrevocable letters of credit		14,617,995,824	16,031,139,941
Bills for collection		6,802,647,618	7,729,555,855
Other contingent liabilities		-	-
<b>Other commitments</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		-	-
Other exchange contracts		-	-
<b>Total off-balance sheet items including contingent liabilities</b>		<b>51,470,564,416</b>	<b>63,525,835,160</b>

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

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date



Dhaka, Bangladesh  
Dated, 28 April 2016

S. F. AHMED & CO  
Chartered Accountants

National Bank Limited

Profit and Loss Statement  
For the year ended 31 December 2015

	Notes	2015 BDT	2014 BDT
Interest income	20	19,504,685,819	20,621,010,559
Less: Interest paid on deposits and borrowings, etc	21	16,571,691,845	16,511,700,458
<b>Net interest income</b>		<b>2,932,993,974</b>	<b>4,109,310,101</b>
Investment income	22	7,929,142,837	5,952,423,959
Commission, exchange and brokerage	23	1,501,224,230	1,699,384,658
Other operating income	24	713,295,389	754,480,472
<b>Total operating income</b>		<b>10,143,662,456</b>	<b>8,406,289,089</b>
		<b>13,076,656,430</b>	<b>12,515,599,190</b>
Salaries and allowances	25	3,092,249,182	2,956,860,843
Rent, taxes, insurance, electricity, etc	26	591,908,548	556,559,345
Legal expenses	27	25,148,904	24,708,834
Postage, stamp, telecommunication, etc	28	79,549,115	76,737,432
Stationery, printing, advertisement, etc	29	153,586,398	109,608,669
Managing Director's salary and allowances	30	7,496,452	6,678,709
Directors' fees and other benefits	31	3,336,004	2,445,639
Auditors' fees	32	450,000	450,000
Charges on loan losses		8,792,391	1,345,510,729
Repairs, maintenance and depreciation	33	466,477,221	369,859,989
Other expenses	34	387,519,131	343,786,906
<b>Total operating expenses</b>		<b>4,816,513,346</b>	<b>5,793,207,095</b>
<b>Profit before provision</b>		<b>8,260,143,084</b>	<b>6,722,392,095</b>
Provision for loans and advances			
Specific provision	13.2(a)	1,560,000,000	365,000,000
General provision (including off-balance sheet items)	13.2(b)	-	440,000,000
Provision for good borrowers	13.2(d)	10,000,000	-
		<b>1,570,000,000</b>	<b>805,000,000</b>
Provision for other classified assets	13.4	346,887,206	780,000,000
<b>Total provision</b>		<b>1,916,887,206</b>	<b>1,585,000,000</b>
<b>Total profit before tax</b>		<b>6,343,255,878</b>	<b>5,137,392,095</b>
Provision for taxation			
Current tax	13.1	2,500,000,000	2,450,000,000
Deferred tax	13.6	(10,777,503)	27,098,612
		<b>2,489,222,497</b>	<b>2,477,098,612</b>
<b>Net profit after tax</b>		<b>3,854,033,381</b>	<b>2,660,293,483</b>
Retained earnings brought forward from previous year		1,634,223,204	1,421,011,380
		<b>5,488,256,585</b>	<b>4,081,304,863</b>
<b>Appropriations</b>			
Statutory reserve	15	(1,268,651,176)	(1,027,478,419)
<b>Dividend:</b>			
10% bonus share for 2013 and 2014		(1,561,563,560)	(1,419,603,240)
		(2,830,214,736)	(2,447,081,659)
<b>Retained earnings carried forward</b>		<b>2,658,041,849</b>	<b>1,634,223,204</b>
<b>Earnings per share (EPS) restated</b>	37	<b>2.24</b>	<b>1.55</b>

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

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date

Dhaka, Bangladesh  
Dated, 28 April 2016



S. F. AHMED & CO  
Chartered Accountants

National Bank Limited

Statement of Changes in Equity  
For the year ended 31 December 2015

Particulars	Paid-up capital BDT	Statutory reserve BDT	Other reserve BDT	Retained earnings BDT	Total BDT
Balance at on 01 January 2015	15,615,635,680	8,439,142,029	1,274,947,661	1,634,223,204	26,963,948,574
Net profit for the year	-	-	-	3,854,033,381	3,854,033,381
Bonus shares for 2014 issued during the year	1,561,563,560	-	-	(1,561,563,560)	-
Transferred to statutory reserve	-	1,268,651,176	-	(1,268,651,176)	-
Revaluation of Govt. Treasury bills, bonds and other investment	-	-	2,739,982,961	-	2,739,982,961
<b>Balance at 31 December 2015</b>	<b><u>17,177,199,240</u></b>	<b><u>9,707,793,205</u></b>	<b><u>4,014,930,622</u></b>	<b><u>2,658,041,849</u></b>	<b><u>33,557,964,916</u></b>
<b>Balance at 31 December 2014</b>	<b><u>15,615,635,680</u></b>	<b><u>8,439,142,029</u></b>	<b><u>1,274,947,661</u></b>	<b><u>1,634,223,204</u></b>	<b><u>26,963,948,574</u></b>

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date



Dhaka, Bangladesh  
Dated, 28 April 2016

S. F. AHMED & CO  
Chartered Accountants

National Bank Limited

Cash Flow Statement  
For the year ended 31 December 2015

	Notes	2015 BDT	2014 BDT
<b>A) Cash flows from operating activities</b>			
Interest received		19,050,396,664	20,991,016,888
Interest paid		(16,258,519,811)	(16,539,015,330)
Income from investment		5,339,512,655	4,889,892,619
Fees, commission, exchange and brokerage		1,501,224,230	1,699,384,658
Cash paid to employees		(3,103,081,638)	(2,965,985,191)
Cash paid to suppliers		(1,022,377,278)	(846,381,197)
Income taxes paid	13.1	(2,337,375,599)	(1,442,616,790)
Received from other operating activities		712,121,600	750,445,900
Paid for other operating activities		(384,370,048)	(343,783,735)
<b>Operating profit before changes in operating assets and liabilities</b>		<b>3,497,530,775</b>	<b>6,192,957,822</b>
<b>Increase/(decrease) in operating assets and liabilities</b>			
Sale of trading securities		47,324,474	646,380,260
Purchase of trading securities		-	(65,942,780)
Loans and advances to other banks		-	-
Loans and advances to customers		(9,936,603,891)	(21,494,645,612)
Other assets	35	66,382,432	(1,656,828,813)
Deposits from other banks		519,422,858	(4,548,616,552)
Deposits from customers		18,297,299,955	14,201,830,151
Other liabilities	36	4,248,788,328	1,275,052,692
		<b>13,242,614,156</b>	<b>(11,642,770,654)</b>
<b>Net cash from / (used in) operating activities</b>		<b>16,740,144,931</b>	<b>(5,449,812,832)</b>
<b>B) Cash flows from investing activities</b>			
Proceeds from sale of Government and unquoted securities		67,974,447,277	45,703,238,368
Investment made during the year (Govt. and un-quoted securities)		(71,716,351,209)	(44,429,018,237)
Purchase of property, plant and equipment		(291,462,310)	(418,893,970)
Sale proceeds of fixed assets		10,003,383	4,451,699
<b>Net cash from / (used in) investing activities</b>		<b>(4,023,362,859)</b>	<b>859,777,860</b>
<b>C) Cash flows from financing activities</b>			
Borrowings from other banks, financial institutions and agents		(5,278,529,527)	5,854,203,775
Redemption of sub-ordinated bond		(320,000,000)	(400,000,000)
Cash dividend paid		-	-
<b>Net cash from/(used in) financing activities</b>		<b>(5,598,529,527)</b>	<b>5,454,203,775</b>
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>		<b>7,118,252,545</b>	<b>864,168,803</b>
<b>E) Effects of exchange rate changes on cash and cash equivalents</b>		<b>13,478,511</b>	<b>3,924,407</b>
		<b>7,131,731,056</b>	<b>868,093,210</b>
<b>F) Cash and cash equivalents at beginning of the year</b>		<b>21,456,682,412</b>	<b>20,588,589,202</b>
<b>G) Cash and cash equivalents at end of the year (D+E+F)</b>		<b>28,588,413,468</b>	<b>21,456,682,412</b>
<b>Cash and cash equivalents at end of the year</b>			
Cash in hand (including foreign currencies)		2,301,844,946	2,181,316,440
Balances with Bangladesh Bank and its agent bank (s)		16,465,029,406	15,631,964,247
Balances with other banks and financial institutions		8,318,634,416	3,535,896,025
Money at call and on short notice		1,495,300,000	98,300,000
Prize bonds		7,604,700	9,205,700
		<b>28,588,413,468</b>	<b>21,456,682,412</b>

for National Bank Limited

Managing Director

Director

Director

Chairman

See annexed report of the date

Dhaka, Bangladesh  
Dated, 28 April 2016



S. F. AHMED & CO  
Chartered Accountants

National Bank Limited

Liquidity Statement (Analysis of Maturity of Assets and Liabilities)

As at 31 December 2015

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
	BDT	BDT	BDT	BDT	BDT	BDT
<b>Assets</b>						
Cash in hand	2,301,844,946	-	-	-	-	2,301,844,946
Balance with Bangladesh Bank and its agent bank	16,465,029,406	-	-	-	-	16,465,029,406
Balances with other banks and financial institutions	6,998,402,521	900,000,000	350,000,000	70,231,895	-	8,318,634,416
Money at call and short notice	1,495,300,000	-	-	-	-	1,495,300,000
Investments	1,368,469,242	3,029,496,845	5,895,974,418	20,775,066,902	28,589,515,695	59,658,523,102
Loans and advances	21,640,882,196	37,830,071,616	47,658,952,796	63,603,082,394	15,446,462,867	186,179,451,869
Fixed assets including land, building, furniture and fixtures	14,227,501	28,455,003	128,047,512	609,936,488	1,967,594,195	2,748,260,700
Other assets	757,334,214	1,064,652,173	1,200,189,597	1,044,165,225	-	4,066,341,209
Non-banking assets	-	-	-	335,820,241	-	335,820,241
<b>Total assets</b>	<b>51,041,490,026</b>	<b>42,852,675,637</b>	<b>55,233,164,323</b>	<b>86,438,303,145</b>	<b>46,003,572,757</b>	<b>281,569,205,889</b>
<b>Liabilities</b>						
Borrowings from other banks, financial institutions and agents	1,713,894,178	2,183,899,699	-	-	-	3,897,793,877
Deposits and other accounts	35,257,834,895	55,351,755,384	41,744,057,920	66,392,176,479	23,367,080,570	222,112,905,248
Subordinated bond	-	-	256,000,000	1,024,000,000	-	1,280,000,000
Other liabilities	716,820,090	1,255,390,179	5,902,782,834	12,845,548,746	-	20,720,541,848
<b>Total liabilities</b>	<b>37,688,549,163</b>	<b>58,791,045,262</b>	<b>47,902,840,754</b>	<b>80,261,725,225</b>	<b>23,367,080,570</b>	<b>248,011,240,973</b>
<b>Net liquidity gap</b>	<b>13,352,940,864</b>	<b>(15,938,369,625)</b>	<b>7,330,323,569</b>	<b>6,176,577,920</b>	<b>22,636,492,187</b>	<b>33,557,964,916</b>

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

Managing Director

for National Bank Limited

Director

Director

Chairman

See annexed report of the date

Dhaka, Bangladesh  
Dated, 28 April 2016



S. F. AHMED & CO  
Chartered Accountants

**National Bank Limited**

**Notes to the financial statements**  
**For the year ended 31 December 2015**

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**1. General information**

**1.1 Status of the Bank**

National Bank Limited (NBL / the Bank) is incorporated in Bangladesh as a public limited company as on 15 March 1983 under Companies Act 1913 (Companies Act 1994) to carry out banking business. 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 one hundred ninety one (191) branches including sixteen (16) SME/Agri-branches throughout the country. The Bank is listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

**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.

Offshore Bank is a bank located outside the country of residence of depositors, typically in the low tax (or no tax) jurisdiction that provides financial and legal advantage. The Offshore Banking unit, a separate business unit of NBL, governed under the Rules and guidelines of Bangladesh Bank. 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.

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

**2.1 Statement of compliance**

These financial statements have been prepared in compliance with the Bangladesh Financial Reporting Standards (BFRSs), Bangladesh Accounting Standards (BASs), Bangladesh Bank circulars, the Banking Companies Act 1991 (as amended in 2013), 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 Bangladesh Financial Reporting Interpretations (BFRIs) as adopted by the Institute of Chartered Accountants of Bangladesh, and other applicable laws and regulations.

**2.2 Basis of preparation of financial statements**

The financial statements of the Bank as at 31 December 2015 have been prepared on a going concern basis under the historical cost convention and in accordance with the "First Schedule" of the Banking Companies Act 1991 as amended in 2013 and as per BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, BFRS, BASs, 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 one business unit namely, Offshore Banking Unit operating in Bangladesh.

The consolidated financial statements include the financial statements of the Bank and seven subsidiary companies namely, NBL Securities Limited, NBL Capital and Equity Management Ltd, NBL Money Transfer and 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 BAS-27: 'Separate Financial Statements' and BFRS-10: 'Consolidated Financial Statements.' The consolidated as well as separate financial statements are prepared for a common financial year ended on 31 December 2015.

Consolidated financial statements 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.



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

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**2.4 Use of estimates and judgment**

Preparation of the financial statements in conformity with BFRSs/BASs 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), the functional currency of NBL.

**2.6 Assets and basis of their valuation**

**2.6.1 Loans and advances**

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

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

**2.6.2 Lease finance**

To comply with **BAS-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 **BAS-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.





National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

**d) Revaluation**

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

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

**2.6.4 Fixed assets and depreciation**

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

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

Category of fixed assets	Rate of depreciation
Land	Nil
Building	2.50%
Furniture, fixture	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 BAS 16 "Property, Plant and Equipment".

**2.6.5 Non-banking assets**

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

**2.6.6 Other assets**

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

**2.7 Liabilities and provisions**

**2.7.1 Employees benefits**

**a) Short term benefits**

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

**b) Post-employment benefits**

**i) Defined contribution plan**

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



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

**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 BAS-19: 'Employee Benefits.'

**Superannuation fund**

The Bank operates a Superannuation Fund Trust 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.

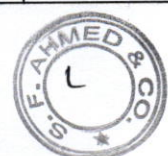
**2.7.2 Provision for liabilities**

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 BAS-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 and BRPD circular no. 08 dated 02 August 2015. 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	2%	2%	20%	50%	100%
	Other than house building and professional to setup business	5%	5%	20%	50%	100%
Small and medium enterprise		0.25%	0.25%	20%	50%	100%
BHs/MBs/ SDs against shares		2%	2%	20%	50%	100%
Short term agri-credit		2.5%	-	5%	5%	100%
All others		1%	1%	20%	50%	100%



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

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**2.7.4 Provision against Off-balance sheet items**

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

**2.7.5 Provision for taxation**

**a) Current tax**

Current tax is expected tax payable on taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment payable in respect of previous years. Provision for current income tax has been made @ 40% as prescribed in the Financial Act 2015 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 BAS-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.

**2.8 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 BAS-18: '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 arises 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 are 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.



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

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**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 Banking Companies Act 1991 until such reserve equal to its paid-up capital together with the share premium. Statutory reserve transferred in yearly basis.

**Non-controlling (minority) interest**

Minority interest (non-controlling interest) in business is an accounting concept that refers to the portion of a subsidiary company's stock that is not owned by the parent company. National Bank Limited holds 99.99% of equity of NBL Securities Ltd and 99.95% of equity of NBL Capital and Equity Management Ltd. 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 BAS-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. Asset Liability Committee (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.



**National Bank Limited**

**Notes to the financial statements  
For the year ended 31 December 2015**

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**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, National Bank Limited manages credit risk meticulously. National Bank extends credit facilities to different clients in different sectors after doing due diligence and mitigating risk factors properly as per guidelines set by Bangladesh Bank, Executive Committee of the Board of Directors and Management Credit Committee of the Bank.

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

**2.12.4 Foreign exchange risk management**

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

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

**2.12.5 Internal control and compliance management**

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

**2.12.6 ICT Risk Management**

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

**2.13 Earnings per share (EPS)**

EPS have been calculated in accordance with BAS-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 2015.

**2.14 Cash flow statement**

Cash flow statement has been prepared in accordance with BAS-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.



**National Bank Limited**

**Notes to the financial statements**  
**For the year ended 31 December 2015**

**2.15 Statement of changes in equity**

Statement of changes in equity has been prepared in accordance with BAS-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 accounts 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 the Management of NBL issued subordinated bonds valuing BDT 250 crore in 2010. This is eligible for Tier-II capital as per Basel III Guidelines of Bangladesh. Details of terms and conditions are as follows:

Issue size	:	BDT 250 crore
Issue objectives	:	Raising of Tier -II capital to meet the requirement under Basel-III
Issue arranger	:	Standard Chartered Bank
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	:	11.50%



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>3. Cash</b>				
<b>3.1 In hand (including foreign currencies)</b>				
Local currency	2,283,815,292	2,132,245,973	2,283,795,119	2,132,184,770
Foreign currencies	64,484,201	114,675,941	18,049,827	49,131,670
	<b>2,348,299,493</b>	<b>2,246,921,914</b>	<b>2,301,844,946</b>	<b>2,181,316,440</b>
<b>4. Balance with Bangladesh Bank and its agent bank (including foreign currencies)</b>				
<b>Balance with Bangladesh Bank</b>				
Local currency	14,621,858,205	14,015,755,064	14,621,858,205	14,015,755,064
Foreign currencies	895,845,769	608,639,116	895,845,769	608,639,116
	15,517,703,974	14,624,394,180	15,517,703,974	14,624,394,180
<b>Balance with agent bank (Sonali Bank Limited)</b>	947,325,432	1,007,570,067	947,325,432	1,007,570,067
	<b>16,465,029,406</b>	<b>15,631,964,247</b>	<b>16,465,029,406</b>	<b>15,631,964,247</b>

An amount of BDT 4,000,000 has been marked as lien with Bangladesh Bank upto 30 June 2016 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, BRPD circular nos. 11 and 12, dated 25 August 2005 and DOS Circular No. 6 dated 05 October 2005, MPD circular no. 116/2010-1712 & 04, dated 01 December 2010 and MPD circular no. 01 dated 23 June 2014.

The Cash Reserve Requirement on the Bank's time and demand liabilities @ 6.50% 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 Limited), TT in transit and unencumbered approved securities. CRR and SLR maintained by the Bank are shown below:

**4.1.1 Cash Reserve Requirement (CRR)**

Average time and demand liabilities (excluding inter-bank deposits)	216,937,938,462	206,428,315,385	216,937,938,462	206,428,315,385
Required reserve (6.50% on average time and demand liabilities)	14,100,966,000	13,417,840,500	14,100,966,000	13,417,840,500
Actual reserve maintained	14,333,954,941	13,558,577,180	14,333,954,941	13,558,577,180
<b>Surplus</b>	<b>232,988,941</b>	<b>140,736,680</b>	<b>232,988,941</b>	<b>140,736,680</b>

**4.1.2 Statutory Liquidity Ratio (SLR)**

Average time and demand liabilities (excluding inter-bank deposits)	216,937,938,462	206,428,315,385	216,937,938,462	206,428,315,385
Required reserve (13% on average time and demand liabilities)	28,201,932,000	26,835,681,000	28,201,932,000	26,835,681,000
Actual reserve maintained (including CRR)	55,070,520,946	49,587,055,797	55,070,520,946	49,587,055,797
<b>Surplus</b>	<b>26,868,588,946</b>	<b>22,751,374,797</b>	<b>26,868,588,946</b>	<b>22,751,374,797</b>

**4.1.3 Composition of CRR and SLR maintained\***

Cash in hand	2,301,844,946	2,132,184,770	2,301,844,946	2,132,184,770
Balance with agent bank (Sonali Bank Limited)	947,325,000	1,126,370,000	947,325,000	1,126,370,000
Unencumbered approved securities (HTM, HFT and reverse REPO)	51,821,351,000	46,328,501,027	51,821,351,000	46,328,501,027
	<b>55,070,520,946</b>	<b>49,587,055,797</b>	<b>55,070,520,946</b>	<b>49,587,055,797</b>

\* As per statement submitted to Bangladesh Bank

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

Inside Bangladesh - in local currencies (note 5.1)	6,228,783,098	1,098,452,208	6,054,058,454	940,498,680
Outside Bangladesh (note 5.2) (Annex - B)	2,317,720,308	2,626,173,130	2,264,575,962	2,595,397,345
	<b>8,546,503,406</b>	<b>3,724,625,338</b>	<b>8,318,634,416</b>	<b>3,535,896,025</b>

**5.1 Inside Bangladesh**

**5.1.1 Current accounts**

Agrani Bank Limited	43,319,835	75,663,068	43,319,835	75,663,068
Janata Bank Limited	118,292,271	159,646,169	118,292,271	159,646,169
Rupali Bank Limited	222,191	98,484	222,191	98,484
Standard Chartered Bank	-	169,397,325	-	169,397,325
Sonali Bank Limited	36,208,122	32,906,680	36,208,122	32,906,680
	<b>198,042,419</b>	<b>437,711,726</b>	<b>198,042,419</b>	<b>437,711,726</b>

**5.1.2 Short-notice deposit accounts**

Eastern Bank Limited	155,679	152,580	155,679	152,580
Janata Bank Limited	552,786	528,738	552,786	528,738
National Credit and Commercial Bank Limited	100,636	97,342	100,636	97,342
First Security Islami Bank Limited	78,551	76,968	78,551	76,968
Dhaka Bank Limited	182,017	175,024	182,017	175,024
Sonali Bank Limited	-	3,019,323	-	3,019,323
Standard Chartered Bank	28,358,957	-	28,358,957	-
Trust Bank Limited	6,355,514	25,451,859	6,355,514	25,451,859
	<b>35,784,140</b>	<b>29,501,834</b>	<b>35,784,140</b>	<b>29,501,834</b>



National Bank Limited

**Notes to the financial statements**  
**For the year ended 31 December 2015**

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>5.1.3 Fixed deposit accounts (in local currency)</b>				
ICB Islamic Bank Limited	70,231,895	73,285,120	70,231,895	73,285,120
AB Bank Limited	500,000,000	-	500,000,000	-
Standard Bank Limited	1,500,000,000	-	1,500,000,000	-
BRAC Bank Limited	2,500,000,000	-	2,500,000,000	-
IFIC Bank Limited	700,000,000	-	700,000,000	-
	<b>5,270,231,895</b>	<b>73,285,120</b>	<b>5,270,231,895</b>	<b>73,285,120</b>
Other financial institutions	550,000,000	400,000,000	550,000,000	400,000,000
	<b>6,054,058,454</b>	<b>940,498,680</b>	<b>6,054,058,454</b>	<b>940,498,680</b>
Bank balance of subsidiaries	174,724,644	157,953,528	-	-
	<b>6,228,783,098</b>	<b>1,098,452,208</b>	<b>6,054,058,454</b>	<b>940,498,680</b>

**5.2 Outside Bangladesh**

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

JP Morgan Chase Bank ,Singapore	61,936,737	47,549,134	61,936,737	47,549,134
AB Bank -OBU	392,501,500	-	392,501,500	-
Standard Chartered Bank, New York	39,250,150	38,974,700	39,250,150	38,974,700
	<b>493,688,387</b>	<b>86,523,834</b>	<b>493,688,387</b>	<b>86,523,834</b>

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

Standard Chartered Bank, Mumbai	28,540,536	63,639,194	28,540,536	63,639,194
Standard Chartered Bank, Frankfurt	1,373,318	4,722,692	1,373,318	4,722,692
Mashreq Bank, New York	106,790,212	161,309,403	106,790,212	161,309,403
JP Morgan Chase Bank, New York	76,082,454	67,341,651	76,082,454	67,341,651
Standard Chartered Bank, New York	1,078,809,133	1,400,673,448	1,078,809,133	1,400,673,448
The Hongkong and Shanghai Banking Corporation, New York	-	96,527,678	-	96,527,678
Sonali Bank Limited, Kolkata	8,169,488	28,649,417	8,169,488	28,649,417
Sonali Bank Limited, London	5,350,844	1,430,261	5,350,844	1,430,261
Mashreq Bank, Mumbai	34,532,645	42,031,566	34,532,645	42,031,566
State Bank of India, Kolkata	480,584	477,212	480,584	477,212
United Bank, Karachi	2,450,421	2,433,224	2,450,421	2,433,224
NABIL Bank, Nepal	5,999,697	20,504,120	5,999,697	20,504,120
Standard Chartered Bank, Colombo	322,793	10,644,433	322,793	10,644,433
Myanmar Foreign Trade, Myanmar	52,034	51,669	52,034	51,669
AB Bank Limited, Mumbai	92,727,170	102,522,084	92,727,170	102,522,084
Bank of Bhutan, Thimpu	18,231,988	33,477,376	18,231,988	33,477,376
ICICI Bank Ltd. Mumbai	3,000,481	2,979,425	3,000,481	2,979,425
HDFC Bank Ltd. India	4,143,007	6,417,996	4,143,007	6,417,996
Commerz Bank, Frankfurt	86,855	2,252,159	86,855	2,252,159
Uni Credito Italiano SPA, Italy	2,981,241	8,357,536	2,981,241	8,357,536
Alpha Bank AE, Athens	12,989,564	680,960	12,989,564	680,960
BOT, Tokyo	870,488	597,941	870,488	597,941
UBAF, Tokyo	-	18,919	-	18,919
Union Bank of Switzerland, Switzerland	182,465	1,868,318	182,465	1,868,318
Habib Bank AG, Zurich	1,097,066	676,491	1,097,066	676,491
Habib Bank, Karachi	24,143,679	86,512,915	24,143,679	86,512,915
Habib American Bank, New York	94,746,239	76,214,401	94,746,239	76,214,401
Bank of Nova Scotia, Toronto	-	5,871	-	5,871
National Australia Bank, Melbourne	1,266,178	667,945	1,266,178	667,945
Standard Chartered Bank, Singapore	1,635,195	2,001,064	1,635,195	2,001,064
Wachovia Bank, New York	85,834,230	147,199,198	85,834,230	147,199,198
Citibank N.A, New York	77,997,570	135,986,944	77,997,570	135,986,944
	<b>1,770,887,575</b>	<b>2,508,873,511</b>	<b>1,770,887,575</b>	<b>2,508,873,511</b>
Bank Balance of subsidiaries	53,144,346	30,775,785	-	-
	<b>1,824,031,921</b>	<b>2,539,649,296</b>	<b>1,770,887,575</b>	<b>2,508,873,511</b>
	<b>2,317,720,308</b>	<b>2,626,173,130</b>	<b>2,264,575,962</b>	<b>2,595,397,345</b>

Details are shown in **Annex B.**

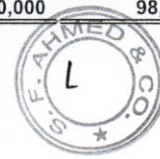
**5.3 Maturity grouping of balance with other banks and financial institutions**

On demand	7,226,271,511	3,251,340,218	6,998,402,521	3,062,610,905
Up to 1 month	-	-	-	-
More than 1 month but not more than 3 months	900,000,000	400,000,000	900,000,000	400,000,000
More than 3 months but not more than 1 year	350,000,000	-	350,000,000	-
More than 1 year but not more than 5 years	70,231,895	73,285,120	70,231,895	73,285,120
More than 5 years	-	-	-	-
	<b>8,546,503,406</b>	<b>3,724,625,338</b>	<b>8,318,634,416</b>	<b>3,535,896,025</b>

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

**Call money**

With banking companies (note 6.1)	1,495,300,000	98,300,000	1,495,300,000	98,300,000
With non-banking financial institutions	-	-	-	-
	<b>1,495,300,000</b>	<b>98,300,000</b>	<b>1,495,300,000</b>	<b>98,300,000</b>





**National Bank Limited**

**Notes to the financial statements**  
**For the year ended 31 December 2015**

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>6.1 Call Money - with banking companies:</b>				
ICB Islamic Bank Limited	95,300,000	98,300,000	95,300,000	98,300,000
Southeast Bank Limited	-	-	-	-
Dhaka Bank Limited	900,000,000	-	900,000,000	-
BRAC Bank Limited	500,000,000	-	500,000,000	-
	<b>1,495,300,000</b>	<b>98,300,000</b>	<b>1,495,300,000</b>	<b>98,300,000</b>
<b>7. Investments</b>				
Government (note 7.1)	51,345,240,061	46,318,501,027	51,345,240,061	46,318,501,027
Others (note 7.2)	7,933,205,703	8,072,095,718	8,313,283,041	8,567,022,898
	<b>59,278,445,764</b>	<b>54,390,596,745</b>	<b>59,658,523,102</b>	<b>54,885,523,925</b>
<b>7.1 Government</b>				
Bangladesh Bank bills	1,197,264,400	-	1,197,264,400	-
Treasury bills (note 7.1.1)	1,903,989,567	6,809,381,807	1,903,989,567	6,809,381,807
Treasury bonds (note 7.1.2)	48,236,381,394	39,499,913,520	48,236,381,394	39,499,913,520
Prize bonds	7,604,700	9,205,700	7,604,700	9,205,700
	<b>51,345,240,061</b>	<b>46,318,501,027</b>	<b>51,345,240,061</b>	<b>46,318,501,027</b>
<b>7.1.1 Treasury bills</b>				
91 days treasury bills	-	2,131,810,849	-	2,131,810,849
182 days treasury bills	-	2,410,803,414	-	2,410,803,414
364 days treasury bills	1,903,989,567	2,266,767,544	1,903,989,567	2,266,767,544
	<b>1,903,989,567</b>	<b>6,809,381,807</b>	<b>1,903,989,567</b>	<b>6,809,381,807</b>
<b>7.1.2 Treasury bonds</b>				
2 years Bangladesh Government treasury bonds	502,085,500	137,857,682	502,085,500	137,857,682
5 years Bangladesh Government treasury bonds	9,536,761,238	11,183,123,935	9,536,761,238	11,183,123,935
10 years Bangladesh Government treasury bonds	24,699,125,940	19,968,805,373	24,699,125,940	19,968,805,373
15 years Bangladesh Government treasury bonds	9,113,212,142	5,146,256,240	9,113,212,142	5,146,256,240
20 years Bangladesh Government treasury bonds	4,385,196,574	3,063,870,290	4,385,196,574	3,063,870,290
	<b>48,236,381,394</b>	<b>39,499,913,520</b>	<b>48,236,381,394</b>	<b>39,499,913,520</b>
<b>7.2 Others</b>				
Debentures (note 7.2.1)	-	10,000,000	-	10,000,000
Share (Quoted and Unquoted) (note 7.2.2)	7,129,280,688	7,058,198,248	7,509,358,026	7,553,125,428
Subordinated bond	800,000,000	1,000,000,000	800,000,000	1,000,000,000
Fixed capital investment in Myanmar (note 7.2.3)	3,925,015	3,897,470	3,925,015	3,897,470
	<b>7,933,205,703</b>	<b>8,072,095,718</b>	<b>8,313,283,041</b>	<b>8,567,022,898</b>
<b>7.2.1 Debentures</b>				
Bangladesh House Building Finance Corporation	-	10,000,000	-	10,000,000
	<b>-</b>	<b>10,000,000</b>	<b>-</b>	<b>10,000,000</b>
<b>7.2.2 In ordinary shares (Quoted and Unquoted)</b>				
<b>Quoted</b>				
Prime Bank Limited	2,317,830,273	2,317,830,273	2,317,830,273	2,317,830,273
Southeast Bank Limited	1,506,544,606	1,506,544,606	1,506,544,606	1,506,544,606
Dhaka Bank Limited	1,208,528,497	1,208,528,497	1,208,528,497	1,208,528,497
The City Bank Limited	15,565,232	15,565,232	15,565,232	15,565,232
EXIM Bank Limited	48,087,593	48,087,593	48,087,593	48,087,593
Eastern Bank Limited	1,203,680	1,203,680	1,203,680	1,203,680
ONE Bank Limited	28,979,584	28,979,584	28,979,584	28,979,584
Trust Bank Limited	6,740,997	6,740,997	6,740,997	6,740,997
Uttara Bank Limited	9,203,644	9,203,644	9,203,644	9,203,644
Pragati Insurance Company Limited	84,937,421	84,937,421	84,937,421	84,937,421
Jamuna Bank Limited	32,622,169	32,622,169	32,622,169	32,622,169
BRAC Bank Limited	-	23,345,409	-	23,345,409
AB Bank Limited	8,592,662	8,592,662	8,592,662	8,592,662
AB First Mutual Fund	1,078,102	1,078,102	1,078,102	1,078,102
IFIC Bank Limited	250,848	250,848	250,848	250,848
Mutual Trust Bank Limited	2,297,111	2,297,111	2,297,111	2,297,111
Bank Asia Limited	104,442,703	104,442,703	104,442,703	104,442,703
Shahjalal Islami Bank Limited	2,516,893	2,516,893	2,516,893	2,516,893
Power Grid Company of Bangladesh Limited	82,753,567	82,753,567	82,753,567	82,753,567
Summit Power	64,620,649	78,280,020	64,620,649	78,280,020
DESCO	-	1,109,818	-	1,109,818
Bay Leasing	49,985,894	50,245,227	49,985,894	50,245,227
National Housing Finance and Investments Limited	41,148,560	41,148,560	41,148,560	41,148,560
Lafarge Surma Cement Mills Limited	4,117,573	4,643,880	4,117,573	4,643,880
BSRM Steel Mills Limited	123,128,016	123,128,016	123,128,016	123,128,016
BEACON Pharma Limited	520,517	520,517	520,517	520,517
City General Insurance Limited	9,292,759	9,292,759	9,292,759	9,292,759
Continantal Insurance Limited	3,436,509	3,436,509	3,436,509	3,436,509
Delta BracFirst Mutual Fund	1,067,130	1,067,130	1,067,130	1,067,130
DESHBANDHU Polymar Limited	7,168,057	7,168,057	7,168,057	7,168,057



	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
Dhaka Insurance Limited	1,802,097	1,802,097	1,802,097	1,802,097
Eastland Insurance Limited	3,386,159	3,386,159	3,386,159	3,386,159
GPH Ispat	6,334,695	6,334,695	6,334,695	6,334,695
MI Cement	15,311,529	15,311,529	15,311,529	15,311,529
National Life Insurance First Mutual Fund	13,662,120	13,662,120	13,662,120	13,662,120
ICB First Mutual Fund	1,629,352	1,629,352	1,629,352	1,629,352
AIMS First Mutual Fund	11,082,749	11,082,749	11,082,749	11,082,749
Northern Insurance	13,378	13,378	13,378	13,378
Prime Insurance	555,503	555,503	555,503	555,503
Rupali Insurance	3,039,046	3,039,046	3,039,046	3,039,046
Saiham Cotton Mills Limited	6,576,777	6,576,777	6,576,777	6,576,777
Saiham Textile Mills Limited	5,110,120	5,110,120	5,110,120	5,110,120
Standard Insurance	3,254,041	3,254,041	3,254,041	3,254,041
GHAIL	85,548	85,548	85,548	85,548
Unique Hotel & Resorts	31,325,533	31,325,533	31,325,533	31,325,533
United Air	8,422,066	8,422,066	8,422,066	8,422,066
Zahin Tex	11,353,147	11,353,147	11,353,147	11,353,147
	<b>5,889,605,106</b>	<b>5,928,505,344</b>	<b>5,889,605,106</b>	<b>5,928,505,344</b>
Investment made by subsidiary	372,321,193	265,062,048	-	-
	<b>6,261,926,299</b>	<b>6,193,567,392</b>	<b>5,889,605,106</b>	<b>5,928,505,344</b>
<b>Un-quoted</b>				
Karma Sangsthan Bank Limited	90,000,000	90,000,000	90,000,000	90,000,000
Gulf Overseas Exchange LLC, Oman	25,452,075	25,307,500	25,452,075	25,307,500
Central Depository (Bangladesh) Limited	6,277,770	6,277,770	6,277,770	6,277,770
Industrial & Infrastructure Development Fin. Co. Ltd	33,483,820	33,483,820	33,483,820	33,483,820
Telecommunication (SWIFT)	6,476,775	3,897,817	6,476,775	3,897,817
NBL Securities Limited	-	-	999,940,000	999,940,000
NBL Capital & Equity Management Limited	-	-	249,865,000	249,865,000
NBL Money TRN SDN BHD Malaysia	-	-	18,281,400	22,270,000
NBL Money Transfer Pte. Limited	-	-	16,650,240	17,638,260
NBL Money Transfer (Maldives) PVT. Limited	-	-	15,700,060	15,589,880
NBL Money Transfer Inc., USA	-	-	70,650,270	70,154,460
NBL Money Transfer Payment Foundation SA Greece	-	-	31,311,561	34,531,628
Dun & Broadstreet Rating Agency BD. Ltd	4,165,900	4,165,900	4,165,900	4,165,900
Lanka Bangla Securities Limited	4,998,049	4,998,049	4,998,049	4,998,049
MSF Asset Management	2,000,000	2,000,000	2,000,000	2,000,000
BD Venture Limited	20,000,000	20,000,000	20,000,000	20,000,000
Membership with DSE & CSE	650,000,000	650,000,000	-	-
Information Technology Consultants Limited	24,500,000	24,500,000	24,500,000	24,500,000
	<b>867,354,389</b>	<b>864,630,856</b>	<b>1,619,752,920</b>	<b>1,624,620,084</b>
	<b>7,129,280,688</b>	<b>7,058,198,248</b>	<b>7,509,358,026</b>	<b>7,553,125,428</b>
<b>Sectorwise investment</b>				
	<b>31 Dec 2015</b>		<b>31 Dec 2014</b>	
	<b>Cost/ Book value</b>	<b>Market value</b>	<b>Cost/ Book value</b>	<b>Market value</b>
	BDT	BDT	BDT	BDT
Banking companies	5,293,406,492	4,081,814,215	5,316,751,901	4,155,335,150
Non-Banking financial Institutions	91,134,454	205,100,064	91,393,787	186,013,971
Insurance companies	109,716,913	44,978,907	109,716,913	67,411,335
Fuel and power	147,374,216	145,500,501	162,143,405	144,074,791
Manufacturing and other companies	247,973,031	235,324,213	248,499,338	234,644,868
	<b>5,889,605,106</b>	<b>4,712,717,900</b>	<b>5,928,505,344</b>	<b>4,787,480,115</b>
<b>7.2.3 Fixed capital investment in Myanmar</b>				
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 Limited in Myanmar, translated into BDT using the rate prevailing at 31 December of the corresponding years.				
<b>7.3 Maturity wise grouping on investments</b>				
On demand	-	-	-	-
Up to 1 month	1,368,469,242	1,901,037,173	1,368,469,242	1,901,037,173
Over 1 month but not more than 3 months	3,029,496,845	1,160,710,066	3,029,496,845	1,160,710,066
Over 3 months but not more than 1 year	5,895,974,418	7,548,431,947	5,895,974,418	7,548,431,947
Over 1 year but not more than 5 years	20,775,066,902	21,539,552,324	20,775,066,902	21,539,552,324
Over 5 years	28,209,438,357	22,240,865,235	28,589,515,695	22,735,792,415
	<b>59,278,445,764</b>	<b>54,390,596,745</b>	<b>59,658,523,102</b>	<b>54,885,523,925</b>
<b>8. Loans and advances</b>				
Loans, cash credits, overdrafts, etc (note 8.1)	182,992,015,805	168,329,551,223	181,723,092,553	167,325,501,311
Bills purchased and discounted (note 8.2)	4,456,359,316	5,639,220,133	4,456,359,316	5,639,220,133
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>8.1 Loans, cash credits, overdrafts, etc</b>				
<b>Inside Bangladesh</b>				
Secured overdrafts	36,059,475,881	40,419,527,393	36,059,475,881	40,419,527,393
Cash credit	44,027,582,754	44,833,749,356	44,027,582,754	44,833,749,356
Loans (General)	72,022,499,258	51,435,939,689	76,832,510,408	56,575,129,006
House building loans	11,995,393,862	10,658,994,569	11,995,393,862	10,658,994,569
Lease finance	40,938,800	223,994,014	40,938,800	223,994,014
Loan against trust receipts	4,980,192,218	7,305,065,353	4,980,192,218	7,305,065,353
Payment against documents	803,575,501	496,033,431	803,575,501	496,033,431
Consumer credit scheme	322,136	1,833,712	322,136	1,833,712
Credit card	1,034,386,399	1,028,314,997	1,034,386,399	1,028,314,997
Margin loan	6,078,934,402	6,143,239,229	-	-
other loans and advances	5,948,714,594	5,782,859,480	5,948,714,594	5,782,859,480
	<b>182,992,015,805</b>	<b>168,329,551,223</b>	<b>181,723,092,553</b>	<b>167,325,501,311</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>182,992,015,805</b>	<b>168,329,551,223</b>	<b>181,723,092,553</b>	<b>167,325,501,311</b>
<b>8.2 Bills purchased and discounted</b>				
<b>Inside Bangladesh</b>				
Local bills purchased and discounted	1,708,712,833	2,684,473,941	1,708,712,833	2,684,473,941
Foreign bills/documents purchased and discounted	2,747,646,483	2,954,746,192	2,747,646,483	2,954,746,192
	<b>4,456,359,316</b>	<b>5,639,220,133</b>	<b>4,456,359,316</b>	<b>5,639,220,133</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>4,456,359,316</b>	<b>5,639,220,133</b>	<b>4,456,359,316</b>	<b>5,639,220,133</b>
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
<b>8.3 Maturity wise grouping of loans and advances including bills purchased and discounted repayable</b>				
On demand	2,725,846,388	2,509,882,520	2,725,846,388	2,509,882,520
Up to 1 month	18,915,035,808	17,672,420,153	18,915,035,808	17,672,420,153
More than 1 month but not more than 3 months	37,830,071,616	35,344,840,307	37,830,071,616	35,344,840,307
More than 3 months but not more than 1 year	47,658,952,796	44,650,985,394	47,658,952,796	44,650,985,394
More than 1 year but not more than 5 years	63,603,082,394	58,563,925,459	63,603,082,394	58,563,925,459
More than 5 years	16,715,386,119	15,226,717,523	15,446,462,867	14,222,667,611
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
<b>8.4 Loans and advances including bills purchased and discounted classified into</b>				
<b>In Bangladesh:</b>				
Loans	102,904,957,170	83,076,274,474	101,636,033,918	82,072,224,562
Cash credits	44,027,582,754	44,833,749,356	44,027,582,754	44,833,749,356
Overdrafts	36,059,475,881	40,419,527,393	36,059,475,881	40,419,527,393
Bills purchased and discounted	4,456,359,316	5,639,220,133	4,456,359,316	5,639,220,133
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
<b>Outside Bangladesh:</b>	-	-	-	-
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</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	406,964,680	394,721,366	406,964,680	394,721,366
Advances to CEO, senior executives and other staffs	1,053,054,000	1,373,018,717	1,053,054,000	1,373,018,717
Advances to customers (groupwise)	61,917,328,276	62,268,235,719	61,917,328,276	62,268,235,719
Industrial advances	65,094,466,086	48,160,508,371	65,094,466,086	48,160,508,371
Other customers	58,976,562,079	61,772,287,183	57,707,638,827	60,768,237,271
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</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)*			92,939,800,000	75,544,800,000
No. of customers			24	16
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 customers exceeding 10% of total capital of the Bank (i.e. BDT 312.64 crore being 10% of total capital of BDT 3,126.43 crore) as at 31 December 2015.				
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	1,651,845,941	1,811,281,066	1,651,845,941	1,811,281,066
Term Loan to small cottage industries	1,760,018,858	507,367,783	1,760,018,858	507,367,783
Term Loan to large and medium industries	39,712,746,286	32,219,058,286	39,712,746,286	32,219,058,286
Working capital to industries	41,970,752,218	36,217,103,234	41,970,752,218	36,217,103,234
Export Credit	7,829,034,574	10,406,221,252	7,829,034,574	10,406,221,252
Trade Finance	44,316,827,600	43,751,885,061	44,316,827,600	43,751,885,061
Consumer Credit	322,136	1,833,712	322,136	1,833,712
Credit Cards	1,034,386,399	1,028,314,997	1,034,386,399	1,028,314,997
Others	49,172,441,109	48,025,705,965	47,903,517,857	47,021,656,053
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>



National Bank Limited

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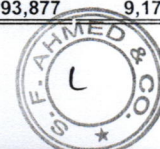
	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>8.5.4 Geographical location-wise grouping</b>				
<b>Inside Bangladesh</b>				
Dhaka Division	116,122,601,073	107,206,125,877	114,853,677,821	106,202,075,965
Chittagong Division	53,439,875,600	48,229,155,683	53,439,875,600	48,229,155,683
Khulna Division	4,489,216,055	4,626,326,231	4,489,216,055	4,626,326,231
Sylhet Division	975,546,045	1,048,309,092	975,546,045	1,048,309,092
Rangpur Division	2,189,603,970	2,392,815,491	2,189,603,970	2,392,815,491
Barisal Division	1,394,171,902	1,507,270,530	1,394,171,902	1,507,270,530
Rajshahi Division	8,837,360,476	8,958,768,452	8,837,360,476	8,958,768,452
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
<b>Outside Bangladesh</b>	-	-	-	-
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
<b>8.6 Grouping as per classification rules</b>				
<b>Unclassified:</b>				
Standard	163,929,775,121	161,242,480,356	162,660,851,869	160,238,430,444
Special mentioned account	10,472,600,000	3,623,830,000	10,472,600,000	3,623,830,000
	<b>174,402,375,121</b>	<b>164,866,310,356</b>	<b>173,133,451,869</b>	<b>163,862,260,444</b>
<b>Classified:</b>				
Sub-standard	1,022,600,000	1,577,622,000	1,022,600,000	1,577,622,000
Doubtful	899,900,000	855,842,000	899,900,000	855,842,000
Bad/loss	11,123,500,000	6,668,997,000	11,123,500,000	6,668,997,000
	<b>13,046,000,000</b>	<b>9,102,461,000</b>	<b>13,046,000,000</b>	<b>9,102,461,000</b>
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
<b>8.7 Particulars of loans and advances</b>				
i) Loans considered good in respect of which the Bank is fully secured	165,011,377,814	153,186,886,205	163,742,454,562	152,182,836,293
ii) Loans considered good against which the Bank holds no security other than the debtors' personal guarantee	14,172,926,537	13,754,314,034	14,172,926,537	13,754,314,034
iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	8,264,070,770	7,027,571,117	8,264,070,770	7,027,571,117
iv) Loans adversely classified; provision not maintained there against	-	-	-	-
	<b>187,448,375,121</b>	<b>173,968,771,356</b>	<b>186,179,451,869</b>	<b>172,964,721,444</b>
v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons.	1,460,018,680	1,767,740,083	1,460,018,680	1,767,740,083
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.	406,964,680	394,721,366	406,964,680	394,721,366
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.	1,460,018,680	1,767,740,083	1,460,018,680	1,767,740,083
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.	406,964,680	394,721,366	406,964,680	394,721,366
ix) Due from banking companies	-	-	-	-
x) Information in respect of classified loans advances				
a) Classified loans for which interest is not credited to income	13,046,000,000	9,102,461,000	13,046,000,000	9,102,461,000
b) Provision kept against classified loans and advances (note 13.2a)	3,976,166,022	1,970,639,774	3,976,166,022	1,970,639,774
c) Interest credited to interest suspense account (note 13.3)	6,504,948,417	3,226,821,883	6,504,948,417	3,226,821,883
xi) Cumulative amount of written-off loans:				
Opening balance	18,328,121,000	17,187,728,000	18,328,121,000	17,187,728,000
Amount written-off during the year	-	1,503,750,000	-	1,503,750,000
Amount recovered / provision released during the year against written-off loans	(75,302,000)	(246,993,000)	(75,302,000)	(246,993,000)
Waiver for final settlement	(24,947,000)	(116,364,000)	(24,947,000)	(116,364,000)
Balance of written-off loans and advances yet to be recovered	<b>18,227,872,000</b>	<b>18,328,121,000</b>	<b>18,227,872,000</b>	<b>18,328,121,000</b>
The amount of classified and written-off loans for which law suits have been filed	<b>31,962,290,000</b>	<b>23,522,984,000</b>	<b>31,962,290,000</b>	<b>23,522,984,000</b>



National Bank Limited

**Notes to the financial statements**  
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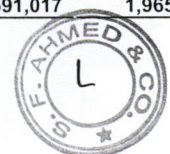
	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>8.8 Bills purchased and discounted</b> <b>(Maturity wise grouping of bills purchased and discounted )</b>				
Payable within 1 month	742,726,553	939,870,022	742,726,553	939,870,022
More than 1 month but less than 3 months	1,485,453,105	1,879,740,044	1,485,453,105	1,879,740,044
More than 3 months but less than 6 months	2,228,179,658	2,819,610,067	2,228,179,658	2,819,610,067
More than 6 months	-	-	-	-
	<b>4,456,359,316</b>	<b>5,639,220,133</b>	<b>4,456,359,316</b>	<b>5,639,220,133</b>
<b>8.9</b> Loan amounting BDT 283.08 crore M/s Beximco Ltd, GMG Airlines and BDT 194.80 crore of Independents Television Ltd have been restructured with grace period of 12 months and validity for a period of 6 years and 12 years respectively. Present status of the loan is standard.				
<b>9. Fixed assets including premises, furniture and fixtures</b>				
<b>Cost / Revaluation:</b>				
Land	667,456,896	667,336,292	667,456,896	667,336,292
Building	1,371,329,354	1,359,401,634	1,371,329,354	1,359,401,634
Furniture and fixtures	899,118,480	842,136,601	899,118,480	842,136,601
General equipments	918,091,354	817,656,401	918,091,354	817,656,401
Computer and accessories	685,950,831	593,643,040	685,950,831	593,643,040
Vehicles	252,739,847	220,925,519	252,739,847	220,925,519
Vehicles (leased)	-	33,059,000	-	33,059,000
Books	1,406,866	1,397,607	1,406,866	1,397,607
	<b>4,796,093,628</b>	<b>4,535,556,094</b>	<b>4,796,093,628</b>	<b>4,535,556,094</b>
Less: Accumulated depreciation	2,047,832,928	1,772,036,119	2,047,832,928	1,772,036,119
<b>Written down value at the end of the year</b>	<b>2,748,260,700</b>	<b>2,763,519,975</b>	<b>2,748,260,700</b>	<b>2,763,519,975</b>
Subsidiary companies balance	40,005,528	41,284,456	-	-
	<b>2,788,266,228</b>	<b>2,804,804,431</b>	<b>2,748,260,700</b>	<b>2,763,519,975</b>
<b>Details are shown in Annex A.</b>				
<b>10. Other assets</b>				
Income generating	-	-	-	-
Non-income generating ( note 10.1)	4,009,953,007	4,178,288,531	4,066,341,209	4,140,400,140
	<b>4,009,953,007</b>	<b>4,178,288,531</b>	<b>4,066,341,209</b>	<b>4,140,400,140</b>
<b>10.1 Non-income generating other assets</b>				
Stock of stationery	33,669,893	27,229,816	33,669,893	27,229,816
Stamps in hand	2,995,814	2,600,564	2,995,814	2,600,564
Suspense account (note 10.1.1)	318,620,741	336,940,462	318,620,741	336,940,462
Advance and deposits	5,167,189	5,171,624	5,167,189	5,171,624
Interest and other receivables	1,438,535,844	1,462,275,764	1,438,535,844	1,462,275,764
Sundry assets (note 10.1.2)	251,145,697	262,546,104	251,145,697	262,546,104
Demand draft paid without advice	14,145,177	12,837,177	14,145,177	12,837,177
Bill purchased account - credit card	390,395,666	252,497,338	390,395,666	252,497,338
Inter-branch adjustment account (net)(note 10.1.3)	85,232,463	652,570,528	85,232,463	652,570,528
Payment made against claim made by EBL for guarantee issued by BCCI	13,683,225	13,683,225	13,683,225	13,683,225
Advance against cash assistance	3,871,781	2,322,729	3,871,781	2,322,729
Advance against branches*	27,580,522	5,725,000	27,580,522	5,725,000
Advance against NBL Towers	1,030,482,000	853,203,000	1,030,482,000	853,203,000
Advance against fixed assets	352,765,232	243,709,826	352,765,232	243,709,826
Others	41,661,763	44,975,374	98,049,965	7,086,983
	<b>4,009,953,007</b>	<b>4,178,288,531</b>	<b>4,066,341,209</b>	<b>4,140,400,140</b>
* The amount represents advance against new branches and for repair, renovation and maintenance of existing branches.				
<b>10.1.1 Suspense account</b>				
Sundry debtors	79,328,408	105,299,125	79,328,408	105,299,125
Advance against TA/DA	314,090	1,340,493	314,090	1,340,493
Advance against postage	19,869	20,022	19,869	20,022
Encashment of PSP/ BSP	100,413,472	32,227,372	100,413,472	32,227,372
Encashment of Wage earner Development Bond (WEDB)	137,367,172	125,357,690	137,367,172	125,357,690
Receivable from stock dealer	1,152,730	72,695,760	1,152,730	72,695,760
Demand draft cancelled	25,000	-	25,000	-
	<b>318,620,741</b>	<b>336,940,462</b>	<b>318,620,741</b>	<b>336,940,462</b>
<b>10.1.2 Sundry assets</b>				
Cash remittance	59,900,010	40,500,000	59,900,010	40,500,000
Advance rent	172,855,266	207,045,002	172,855,266	207,045,002
Clearing adjustment account	384,350	294,350	384,350	294,350
Security paper	-	-	-	-
Protested bill	14,900,000	12,900,000	14,900,000	12,900,000
Unexpired insurance premium	3,106,071	1,806,752	3,106,071	1,806,752
	<b>251,145,697</b>	<b>262,546,104</b>	<b>251,145,697</b>	<b>262,546,104</b>
<b>10.1.3 Inter-branch adjustment account</b>				
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, the same has been adjusted subsequently.				
<b>11. Borrowings from other banks, financial institutions and agents</b>				
In Bangladesh (note 11.1)	4,161,760,014	9,176,323,404	3,897,793,877	9,176,323,404
Outside Bangladesh	-	-	-	-
	<b>4,161,760,014</b>	<b>9,176,323,404</b>	<b>3,897,793,877</b>	<b>9,176,323,404</b>



	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>11.1 In Bangladesh</b>				
Export Development Fund (EDF)	3,427,188,356	3,728,608,807	3,427,188,356	3,728,608,807
Agricultural credit on special program	388,638,855	181,617,375	388,638,855	181,617,375
Investment Corporation of Bangladesh	263,966,137	-	-	-
Bangladesh Bank	300,000	5,163,875,000	300,000	5,163,875,000
ADB Loan	81,666,666	102,222,222	81,666,666	102,222,222
	<b>4,161,760,014</b>	<b>9,176,323,404</b>	<b>3,897,793,877</b>	<b>9,176,323,404</b>
<b>11.2 Security wise breakup of borrowing from other banks, financial Institutions and agents</b>				
Secured borrowings	-	-	-	-
Unsecured borrowings	4,161,760,014	9,176,323,404	3,897,793,877	9,176,323,404
	<b>4,161,760,014</b>	<b>9,176,323,404</b>	<b>3,897,793,877</b>	<b>9,176,323,404</b>
<b>11.3 Maturity-wise grouping of borrowings</b>				
<b>Repayable</b>				
On demand	300,000	5,163,875,000	300,000	5,163,875,000
Up to 1 month	1,713,594,178	1,864,304,404	1,713,594,178	1,864,304,404
More than 1 month but within 3 months	2,447,865,836	2,148,144,000	2,183,899,699	2,148,144,000
More than 3 months but within 1 year	-	-	-	-
More than 1 year but within 5 years	-	-	-	-
More than 5 years	-	-	-	-
	<b>4,161,760,014</b>	<b>9,176,323,404</b>	<b>3,897,793,877</b>	<b>9,176,323,404</b>
<b>12. Deposits and other accounts (note 12.1)</b>				
Current deposits and other accounts (note 12.2)	20,693,115,937	19,949,019,076	20,728,154,666	19,967,086,570
Bills payable (note 12.3)	2,501,292,434	2,624,680,314	2,501,292,434	2,624,680,314
Savings deposits	32,942,064,340	28,714,088,244	32,942,064,340	28,714,088,244
Fixed deposits	110,315,043,225	105,576,214,173	110,601,621,855	105,576,214,173
Term deposits (note 12.4)	55,178,447,464	45,907,972,957	55,339,771,953	46,414,113,134
	<b>221,629,963,400</b>	<b>202,771,974,764</b>	<b>222,112,905,248</b>	<b>203,296,182,435</b>
The Bank Management advised to various branches to take necessary steps for depositing the amount of unclaimed deposits through head office after following the Bangladesh Bank guideline. During the year we have deposited amounting BDT 1,659,296.00 to Bangladesh Bank.				
<b>12.1 Deposit and other account</b>				
Deposit from banks (inside Bangladesh) (note 12.1.1)	4,928,559,413	4,409,136,555	4,928,559,413	4,409,136,555
Other than bank	216,701,403,987	198,362,838,209	217,184,345,835	198,887,045,880
	<b>221,629,963,400</b>	<b>202,771,974,764</b>	<b>222,112,905,248</b>	<b>203,296,182,435</b>
<b>12.1.1 Deposit from banks (inside Bangladesh)</b>				
<b>In current account</b>				
Al-Arafah Islami Bank Limited	33,124,006	8,573,320	33,124,006	8,573,320
BRAC Bank Limited	1,201,195	-	1,201,195	-
Bangladesh Krishi Bank Limited	641,312	4,401,862	641,312	4,401,862
Dutch Bangla Bank Limited	19,379	20,069	19,379	20,069
EXIM Bank Limited	1,230	186,579	1,230	186,579
The Hongkong and Shanghai Banking Corporation Limited	9,025,062	9,025,062	9,025,062	9,025,062
Islami Bank Bangladesh Limited	75,186,837	55,489,182	75,186,837	55,489,182
Jamuna Bank Limited	9,230,701	4,961,321	9,230,701	4,961,321
Mercantile Bank Limited	112,729	665,858	112,729	665,858
Prime Bank Limited	45,665	45,665	45,665	45,665
Rajshahi Krishi Unnayan Bank	1,035,463	1,254,577	1,035,463	1,254,577
Shahjalal Islami Bank Limited	18,239	20,429	18,239	20,429
Southeast Bank Limited	3,850	78,077	3,850	78,077
	<b>129,645,668</b>	<b>84,722,001</b>	<b>129,645,668</b>	<b>84,722,001</b>
<b>In short notice deposit accounts</b>				
Bank Asia Limited	782,499	757,774	782,499	757,774
BRAC Bank Limited	4,605,406	7,526,278	4,605,406	7,526,278
Dhaka Bank Limited	1,039,845	668,085	1,039,845	668,085
Dutch-Bangla Bank Limited	2,055,980	11,722,162	2,055,980	11,722,162
Eastern Bank Limited	540,860	519,036	540,860	519,036
EXIM Bank Limited	19,681,394	10,631,408	19,681,394	10,631,408
Jamuna Bank Limited	1,028,854	1,522,034	1,028,854	1,522,034
Janata Bank Limited	35,570	35,287	35,570	35,287
Mercantile Bank Limited	2,043,402	2,979,359	2,043,402	2,979,359
Prime Bank Limited	10,825	85,446	10,825	85,446
Pubali Bank Limited	592,458	568,401	592,458	568,401
Standard Bank Limited	462	1,556	462	1,556
Rajshahi Krishi Unnayan Bank	256,341,968	189,314,997	256,341,968	189,314,997
Standard Chartered Bank	3,198,739	2,999,000	3,198,739	2,999,000
The Premier Bank Limited	180,067	2,728,556	180,067	2,728,556
	<b>292,138,329</b>	<b>232,059,379</b>	<b>292,138,329</b>	<b>232,059,379</b>
<b>Term deposit accounts</b>				
Rajshahi Krishi Unnayan Bank	3,806,775,416	4,092,355,175	3,806,775,416	4,092,355,175
Bangladesh Development Bank Limited	700,000,000	-	700,000,000	-
	<b>4,506,775,416</b>	<b>4,092,355,175</b>	<b>4,506,775,416</b>	<b>4,092,355,175</b>
	<b>4,928,559,413</b>	<b>4,409,136,555</b>	<b>4,928,559,413</b>	<b>4,409,136,555</b>



	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>12.1.2 Maturity-wise grouping</b>				
<b>Deposits from banks</b>				
<b>Repayable</b>				
On demand	129,645,668	84,722,001	129,645,668	84,722,001
Up to 1 month	992,138,329	139,235,627	992,138,329	139,235,627
Over 1 month but within 6 months	3,806,775,416	4,085,188,927	3,806,775,416	4,085,188,927
Over 6 months but within 1 year	-	99,990,000	-	99,990,000
Over 1 year but within 5 years	-	-	-	-
Over 5 years but within 10 years	-	-	-	-
	<b>4,928,559,413</b>	<b>4,409,136,555</b>	<b>4,928,559,413</b>	<b>4,409,136,555</b>
<b>From others payable</b>				
<b>Repayable</b>				
On demand	13,342,098,514	12,400,057,612	13,342,098,514	12,400,057,612
Up to 1 month	20,793,952,384	19,939,176,859	20,793,952,384	19,939,176,859
Over 1 month but within 6 months	51,544,979,968	46,625,214,974	51,544,979,968	46,625,214,974
Over 6 months but within 1 year	41,744,057,920	38,054,363,257	41,744,057,920	38,054,363,257
Over 1 year but within 5 years	66,392,176,479	71,573,806,396	66,392,176,479	71,573,806,396
Over 5 years but within 10 years	22,884,138,722	9,770,219,111	23,367,080,570	10,294,426,782
	<b>216,701,403,987</b>	<b>198,362,838,209</b>	<b>217,184,345,835</b>	<b>198,887,045,880</b>
	<b>221,629,963,400</b>	<b>202,771,974,764</b>	<b>222,112,905,248</b>	<b>203,296,182,435</b>
<b>12.2 Current deposits and other accounts</b>				
Current deposits	11,622,783,571	10,394,794,094	11,622,783,571	10,394,794,094
Foreign currency deposits	295,199,845	436,615,269	330,238,574	436,615,269
Exchange company taka account	371,766,672	529,612,839	371,766,672	547,680,333
Exporters' foreign currencies account	251,369,328	259,857,465	251,369,328	259,857,465
Sundry deposits	8,151,996,521	8,328,139,409	8,151,996,521	8,328,139,409
	<b>20,693,115,937</b>	<b>19,949,019,076</b>	<b>20,728,154,666</b>	<b>19,967,086,570</b>
<b>12.3 Bills Payable</b>				
Payment order	2,377,199,033	2,492,870,802	2,377,199,033	2,492,870,802
Demand draft	124,093,401	131,809,512	124,093,401	131,809,512
	<b>2,501,292,434</b>	<b>2,624,680,314</b>	<b>2,501,292,434</b>	<b>2,624,680,314</b>
<b>12.4 Term deposits</b>				
Short notice deposits	11,743,565,936	8,937,746,356	11,904,890,425	9,443,886,533
Non-resident foreign currency deposits	267,309,872	54,175,850	267,309,872	54,175,850
Resident foreign currency deposits	215,002,161	198,758,709	215,002,161	198,758,709
Non-resident investment taka account	7,598,050	188,099	7,598,050	188,099
Monthly saving scheme	23,999,022,980	20,588,853,564	23,999,022,980	20,588,853,564
Special deposit scheme	18,945,948,465	16,128,250,379	18,945,948,465	16,128,250,379
	<b>55,178,447,464</b>	<b>45,907,972,957</b>	<b>55,339,771,953</b>	<b>46,414,113,134</b>
<b>13. Other liabilities</b>				
Un-paid dividend	10,009,092	10,009,092	10,009,092	10,009,092
Provision for bonus	323,640,835	204,265,485	323,640,835	204,265,485
Tax liability (note 13.1)	2,262,635,397	2,067,016,140	2,128,591,017	1,965,966,616
Provision for loans and advances (Including Off-B/S items) (note 13.2)	6,242,458,211	4,636,931,963	6,242,458,211	4,636,931,963
Interest suspense account (note 13.3)	6,504,948,417	3,226,821,883	6,504,948,417	3,226,821,883
Provision for other classified assets (note 13.4)	1,690,749,339	1,314,665,709	1,217,153,656	870,266,450
Provision for gratuity (note 13.5)	80,000,000	50,000,000	80,000,000	50,000,000
Deferred tax liabilities/(assets) (note 13.6)	59,504,533	70,282,036	58,500,654	69,278,157
ATM card holders' accounts	35,500	35,500	35,500	35,500
Foreign currencies adjustment account	1,292,978,086	811,843,016	1,292,978,086	811,843,016
Bills payable account MPS (CCD)	4,931,883	12,003,024	4,931,883	12,003,024
Adjusting account credit	2,691,872,659	3,502,523,543	2,691,872,659	3,502,523,543
Provision for LFA	89,055,351	89,833,143	89,055,351	89,833,143
Obligation under finance lease	-	5,976,766	-	5,976,766
Clearing adjusting account	34,149	34,156	34,149	34,156
Others	949,702,527	970,323,012	76,332,338	45,219,230
	<b>22,202,555,979</b>	<b>16,972,564,468</b>	<b>20,720,541,848</b>	<b>15,501,008,024</b>
<b>13.1 Tax liability</b>				
<b>Provision for current tax</b>				
Opening balance	9,510,957,641	10,970,920,447	9,379,066,595	10,893,089,324
Add: Provision made during the year	2,532,994,856	2,504,059,923	2,500,000,000	2,450,000,000
	<b>12,043,952,497</b>	<b>13,474,980,370</b>	<b>11,879,066,595</b>	<b>13,343,089,324</b>
Less: Adjustment made during the year	-	3,964,022,729	-	3,964,022,729
Closing balance	<b>12,043,952,497</b>	<b>9,510,957,641</b>	<b>11,879,066,595</b>	<b>9,379,066,595</b>
<b>Advance income tax</b>				
Opening balance	7,443,941,501	9,965,347,440	7,413,099,979	9,934,505,918
Add: Paid during the year	2,337,375,599	1,442,616,790	2,337,375,599	1,442,616,790
	<b>9,781,317,100</b>	<b>11,407,964,230</b>	<b>9,750,475,578</b>	<b>11,377,122,708</b>
Less: Adjustment made during the year	-	3,964,022,729	-	3,964,022,729
Closing balance	<b>9,781,317,100</b>	<b>7,443,941,501</b>	<b>9,750,475,578</b>	<b>7,413,099,979</b>
	<b>2,262,635,397</b>	<b>2,067,016,140</b>	<b>2,128,591,017</b>	<b>1,965,966,616</b>



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>Status of pending assessments</b>				
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 year 1991-92, 1992-93 pending in honorable High Court Division due to appeal filed by the DCT. 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.				
<b>13.2 Provision for loans and advances (Including off - balance sheet items)</b>				
<b>(a) Specific provision against loans and advances</b>				
Opening balance	1,970,639,774	1,461,481,180	1,970,639,774	1,461,481,180
Fully provided debt written-off	-	-	-	-
Waiver during the year	-	(47,975,682)	-	(47,975,682)
Release of provision	35,526,248	192,974,276	35,526,248	192,974,276
Adjustment/recovery in kinds on account of properties	-	(840,000)	-	(840,000)
Transfer to general provision unclassified loans	300,000,000	-	300,000,000	-
Transfer to/from general provision off-balance sheet items	110,000,000	-	110,000,000	-
Provision made during the year	1,560,000,000	365,000,000	1,560,000,000	365,000,000
	<b>3,976,166,022</b>	<b>1,970,639,774</b>	<b>3,976,166,022</b>	<b>1,970,639,774</b>

As per requirement of Bangladesh Bank in respect to loan provisioning total required provision against classified advances is BDT 602.11 crore against which Bank maintained an amount of BDT 397.62 crore and the balance amount of BDT 204.49 crore will be provided for in the accounts of 2016 as per Bangladesh Bank approval letter reference no. BRPD (P-1)/661/13/2016-2737 dated 28 April 2016. However the Bank can not pay any cash dividend for the year 2015 in terms of the said Bangladesh Bank approval letter.

**(b) General provision against unclassified loans and advances**

**(Including provision for OBU)**

Opening balance	2,024,782,141	1,563,782,141	2,024,782,141	1,563,782,141
Transferred from other provision	(300,000,000)	-	(300,000,000)	-
Transferred from provision against Off B/s items	-	21,000,000	-	21,000,000
Provision made during the year	-	440,000,000	-	440,000,000
Closing balance	<b>1,724,782,141</b>	<b>2,024,782,141</b>	<b>1,724,782,141</b>	<b>2,024,782,141</b>

**(c) General provision against Off Balance Sheet items**

**(Including provision for OBU)**

Opening balance	641,510,048	662,510,048	641,510,048	662,510,048
Transferred to specific provision	(110,000,000)	(21,000,000)	(110,000,000)	(21,000,000)
Closing balance	<b>531,510,048</b>	<b>641,510,048</b>	<b>531,510,048</b>	<b>641,510,048</b>

**(d) Provision for good borrowers**

	<b>10,000,000</b>	-	<b>10,000,000</b>	-
<b>Total (a)+ (b)+ (c)+(d)</b>	<b>6,242,458,211</b>	<b>4,636,931,963</b>	<b>6,242,458,211</b>	<b>4,636,931,963</b>

Particulars of required provision for loans and advances as on 31 December 2015.

Particulars	Outstanding	Base for provision	Rate	(BDT in crore)
				Provision required
<b>General provision</b>				
On Unclassified loans	16,266.09	16,157.62	Various	159.10
On SMA loans	1,047.26	1,047.26	Various	10.47
	<b>17,313.35</b>			<b>169.57</b>
<b>Specific provision</b>				
On Substandard loans	102.26	45.21	20%	9.04
On Doubtful loans	89.99	55.13	50%	27.57
On Bad and loss loans	1,112.35	565.50	100%	565.50
	<b>1,304.60</b>			<b>602.11</b>
<b>Total</b>	<b>18,617.95</b>			<b>771.66</b>





	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>13.3 Interest suspense account</b>				
Opening balance	3,226,821,883	2,203,179,890	3,226,821,883	2,203,179,890
Add: Amount transferred to "interest suspense" account during the year	4,463,307,112	1,468,268,256	4,463,307,112	1,468,268,256
	<b>7,690,128,995</b>	<b>3,671,448,146</b>	<b>7,690,128,995</b>	<b>3,671,448,146</b>
Less: Amount recovered and credited to income	1,183,662,502	282,822,900	1,183,662,502	282,822,900
Interest waived during the year	1,518,076	-	1,518,076	-
Amount written-off during the year	-	161,803,363	-	161,803,363
	<b>1,185,180,578</b>	<b>444,626,263</b>	<b>1,185,180,578</b>	<b>444,626,263</b>
Closing balance	<b>6,504,948,417</b>	<b>3,226,821,883</b>	<b>6,504,948,417</b>	<b>3,226,821,883</b>
<b>13.4 Provision for other classified assets</b>				
<b>Provision for fall in market price of shares</b>				
Opening balance	1,274,399,259	463,884,779	830,000,000	50,000,000
Add: Addition during the year	376,083,630	810,514,480	346,887,206	780,000,000
Closing balance	<b>1,650,482,889</b>	<b>1,274,399,259</b>	<b>1,176,887,206</b>	<b>830,000,000</b>
<b>Provision for other classified assets</b>				
Opening balance	40,266,450	40,266,450	40,266,450	40,266,450
Add: Addition during the year	-	-	-	-
Closing balance	<b>40,266,450</b>	<b>40,266,450</b>	<b>40,266,450</b>	<b>40,266,450</b>
	<b>1,690,749,339</b>	<b>1,314,665,709</b>	<b>1,217,153,656</b>	<b>870,266,450</b>
<b>13.5 Provision for gratuity</b>				
The fund is administered by a Board of Trustee consisting of four (4) members. Total fund balance as on December 2015 stood at BDT 86.68 crore considering contribution for the year 2015 against which fund liability stood at BDT 91.90 crore i.e. there is a shortfall of BDT 5.22 crore. We applied to Bangladesh Bank vide letter no.NBL/FAD/2014 dated 20 February 2014 to continue with the current practice i.e. payment to the outgoing members by debiting the bank account and buildup the shortfall amount gradually. Bangladesh Bank vide letter DBI-1(DGM-4)/82/2014-689 dated 18 March 2014 approved for keeping shortfall of provision by 2016 equally. The movement is as under:				
Opening balance	50,000,000	50,000,000	50,000,000	50,000,000
Add: Provision during the year	80,000,000	50,000,000	80,000,000	50,000,000
	<b>130,000,000</b>	<b>100,000,000</b>	<b>130,000,000</b>	<b>100,000,000</b>
Less: Transferred to fund account	50,000,000	50,000,000	50,000,000	50,000,000
Closing balance	<b>80,000,000</b>	<b>50,000,000</b>	<b>80,000,000</b>	<b>50,000,000</b>
<b>13.6 Deferred tax (assets)/liabilities</b>				
<b>Deferred tax assets:</b>				
Opening balance	89,739,104	71,011,077	89,421,430	70,693,403
Add: Addition during the year	19,949,102	18,728,027	19,949,102	18,728,027
Closing balance	<b>109,688,206</b>	<b>89,739,104</b>	<b>109,370,532</b>	<b>89,421,430</b>
<b>Deferred tax liabilities:</b>				
Opening balance	160,021,140	114,194,501	158,699,587	112,872,948
Add: Addition during the year	9,171,599	45,826,639	9,171,599	45,826,639
Closing balance	<b>169,192,739</b>	<b>160,021,140</b>	<b>167,871,186</b>	<b>158,699,587</b>
<b>Net deferred tax (assets)/liabilities</b>	<b>59,504,533</b>	<b>70,282,036</b>	<b>58,500,654</b>	<b>69,278,157</b>
Deferred tax charge/(credit)	<b>(10,777,503)</b>	<b>27,098,612</b>	<b>(10,777,503)</b>	<b>27,098,612</b>
<b>14. Share capital</b>				
<b>14.1 Authorised capital</b>				
1,750,000,000 ordinary shares of BDT 10 each			17,500,000,000	17,500,000,000
<b>14.2 Issued, subscribed and fully paid-up capital</b>				
	No. of shares			
	2015	2014	2015 BDT	2014 BDT
Issued for cash	23,730,000	23,730,000	237,300,000	237,300,000
Issued for other than cash (bonus share)	1,693,989,924	1,537,833,568	16,939,899,240	15,378,335,680
<b>Total</b>	<b>1,717,719,924</b>	<b>1,561,563,568</b>	<b>17,177,199,240</b>	<b>15,615,635,680</b>
<b>14.3 Percentage of shareholdings at the closing date</b>				
	2015		2014	
<b>Category</b>	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
Sponsors and Directors	515,966,929	30.0379	469,196,989	30.0466
Financial institutions	388,273,458	22.6040	249,181,327	15.9572
Foreign investors	39,929,237	2.3246	36,216,391	2.3192
Non-resident Bangladeshi	7,824,290	0.4555	7,508,167	0.4808
General public	765,726,010	44.5780	799,460,694	51.1962
	<b>1,717,719,924</b>	<b>100.0000</b>	<b>1,561,563,568</b>	<b>100.0000</b>



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For the year ended 31 December 2015

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>14.4 Statement of slab list as on 31 December 2015</b>				
<b>Group/ type</b>	<b>No. of share holders</b>	<b>No. of shares</b>	<b>% of share holding</b>	
De-materialization	87,172	1,667,546,810	97.08	
Materialization	4,413	50,173,114	2.92	
	<b>91,585</b>	<b>1,717,719,924</b>	<b>100.00</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	31,501	5,733,564	0.33	
500 to 5,000	40,498	75,403,200	4.39	
5,001 to 10,000	6,956	49,331,605	2.87	
10,001 to 20,000	4,252	59,392,853	3.46	
20,001 to 30,000	1,398	34,297,170	2.00	
30,001 to 40,000	714	24,808,880	1.44	
40,001 to 50,000	392	17,825,192	1.04	
50,001 to 100,000	724	49,831,507	2.90	
100,001 to 1,000,000	593	142,459,273	8.29	
Over 1,000,000	144	1,208,463,566	70.35	
	<b>87,172</b>	<b>1,667,546,810</b>	<b>97.08</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	2,529	366,723	0.02	
500 to 5,000	1,457	2,696,725	0.16	
5,001 to 10,000	187	1,309,547	0.08	
10,001 to 20,000	108	1,572,843	0.09	
20,001 to 30,000	49	1,167,334	0.07	
30,001 to 40,000	22	767,153	0.04	
40,001 to 50,000	13	573,926	0.03	
50,001 to 100,000	19	1,285,049	0.08	
100,001 to 1,000,000	22	7,396,833	0.43	
Over 1,000,000	7	33,036,981	1.92	
	<b>4,413</b>	<b>50,173,114</b>	<b>2.92</b>	
<b>14.5 Capital adequacy ratio</b>				
<b>Core capital (Tier - I)</b>				
Paid up capital	17,177,199,240	15,615,635,680	17,177,199,240	15,615,635,680
Statutory reserve (note 15)	9,707,793,205	8,439,142,029	9,707,793,205	8,439,142,029
General reserve (note 16)	53,192,892	65,396,935	-	-
Non-controlling (minority) interest	75,545	88,413	-	-
Retained earnings (note 18)	2,488,521,769	1,464,019,449	2,658,041,849	1,634,223,204
	<b>29,426,782,651</b>	<b>25,584,282,506</b>	<b>29,543,034,294</b>	<b>25,689,000,913</b>
<b>Less:</b>				
For short provision against quoted shares	-	311,025,229	-	311,025,229
For short provision against loans and advances	2,044,900,000	1,057,688,926	2,044,900,000	1,057,688,926
Intangible assets	24,500,000	-	24,500,000	-
Deferred tax assets	109,688,206	-	109,370,532	-
Reciprocal cross holding of banking and NBFIs shares	141,000,000	-	141,000,000	-
	<b>2,320,088,206</b>	<b>1,368,714,155</b>	<b>2,319,770,532</b>	<b>1,368,714,155</b>
	<b>27,106,694,445</b>	<b>24,215,568,351</b>	<b>27,223,263,762</b>	<b>24,320,286,758</b>
<b>Supplementary capital (Tier - II)</b>				
General provision maintained against unclassified loan	1,724,782,141	2,024,782,141	1,724,782,141	2,024,782,141
General provision on off-balance sheet exposure	531,510,048	641,510,048	531,510,048	641,510,048
Subordinated bonds	1,280,000,000	1,600,000,000	1,280,000,000	1,600,000,000
Other reserve (10% of equity reserve and 50% of other reserve)	630,977,076	630,977,076	630,977,076	630,977,076
<b>Less: Regulatory adjustment for revaluation reserve (20%)</b>	<b>(126,200,000)</b>	<b>-</b>	<b>(126,200,000)</b>	<b>-</b>
	<b>4,041,069,265</b>	<b>4,897,269,265</b>	<b>4,041,069,265</b>	<b>4,897,269,265</b>
<b>Additional supplementary capital (Tier-III)</b>				
<b>A) Total capital</b>	<b>31,147,763,710</b>	<b>29,112,837,616</b>	<b>31,264,333,027</b>	<b>29,217,556,023</b>
B) Total risk weighted assets	261,038,900,000	249,982,600,000	259,355,900,000	249,560,600,000
C) Required capital	26,103,890,000	24,998,260,000	25,935,900,000	24,956,060,000
<b>D) (Deficit)/Surplus (A-C)</b>	<b>5,043,873,710</b>	<b>4,114,577,616</b>	<b>5,328,433,027</b>	<b>4,261,496,023</b>
<b>Capital adequacy ratio:</b>				
		<b>Actual</b>		
On core capital - against standard of minimum 5%	10.38%	9.69%	10.50%	9.75%
On supplementary capital	1.55%	1.96%	1.55%	1.96%
<b>On total capital - against standard of minimum 10%</b>	<b>11.93%</b>	<b>11.65%</b>	<b>12.05%</b>	<b>11.71%</b>

Risk weighted Assets of the Bank has calculated as per BRPD circular No. 18 dated 21 December 2014 . As per the circular implementation of Basel-III has been started with effect from January 2015 and calculated on solo and consolidated basis. Full implementation will be effective from 2019.



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	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>15. Statutory reserve</b>				
Opening balance	8,439,142,029	7,411,663,610	8,439,142,029	7,411,663,610
Add: Addition during the year (20% of pre-tax profit)	1,268,651,176	1,027,478,419	1,268,651,176	1,027,478,419
Closing balance	<b>9,707,793,205</b>	<b>8,439,142,029</b>	<b>9,707,793,205</b>	<b>8,439,142,029</b>
<b>16. General reserve</b>				
Opening balance	65,396,935	17,800,819	-	-
Add: Addition during the year (overseas subsidiaries)	16,524,000	47,596,116	-	-
	<b>81,920,935</b>	<b>65,396,935</b>	-	-
Less: Adjustment during the year	-	-	-	-
Bonus shares issued by overseas subsidiaries	(28,728,043)	-	-	-
	<b>(28,728,043)</b>	-	-	-
Closing balance	<b>53,192,892</b>	<b>65,396,935</b>	-	-
<b>17. Other reserve</b>				
Revaluation reserve (Govt treasury bills and bonds) (note 17.1)	3,636,199,404	888,350,848	3,636,199,404	888,350,848
Revaluation reserve (foreign investment) (note 17.2)	8,376,292	16,241,887	8,376,292	16,241,887
Revaluation reserve (property) (note 17.3)	370,354,926	370,354,926	370,354,926	370,354,926
	<b>4,014,930,622</b>	<b>1,274,947,661</b>	<b>4,014,930,622</b>	<b>1,274,947,661</b>
<b>17.1 Revaluation reserve (Govt treasury bills and bonds)</b>				
Opening balance	888,350,848	507,540,196	888,350,848	507,540,196
Add: Addition during the year (overseas subsidiaries)	5,481,068,190	1,129,468,377	5,481,068,190	1,129,468,377
	<b>6,369,419,038</b>	<b>1,637,008,573</b>	<b>6,369,419,038</b>	<b>1,637,008,573</b>
Less: Adjustment during the year	2,733,219,634	748,657,725	2,733,219,634	748,657,725
Closing balance	<b>3,636,199,404</b>	<b>888,350,848</b>	<b>3,636,199,404</b>	<b>888,350,848</b>
<b>17.2 Revaluation reserve (foreign investment)</b>				
Opening balance	16,241,887	23,034,581	16,241,887	23,034,581
Less: Adjustment during the year	7,865,595	6,792,694	7,865,595	6,792,694
Closing balance	<b>8,376,292</b>	<b>16,241,887</b>	<b>8,376,292</b>	<b>16,241,887</b>
<b>17.3 Revaluation reserve (property)</b>				
Opening balance	370,354,926	370,354,926	370,354,926	370,354,926
Less: Adjustment during the year	-	-	-	-
Closing balance	<b>370,354,926</b>	<b>370,354,926</b>	<b>370,354,926</b>	<b>370,354,926</b>
Revaluation of foreign investments has been made in 2015 as per BAS -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 31 October 2005.				
<b>18. Retained earnings</b>				
Opening balance	1,464,019,449	1,290,340,814	1,634,223,204	1,421,011,380
Add: Post-tax profit for the year	3,881,448,150	2,682,933,842	3,854,033,381	2,660,293,483
	<b>5,345,467,599</b>	<b>3,973,274,656</b>	<b>5,488,256,585</b>	<b>4,081,304,863</b>
Less: Dividend (10% bonus for the year 2014)	1,561,563,560	1,419,603,240	1,561,563,560	1,419,603,240
Transfer to statutory reserve	1,268,651,176	1,027,478,419	1,268,651,176	1,027,478,419
Transfer to general reserve (overseas operation)	16,524,000	47,596,116	-	-
Dividend paid by overseas subsidiaries	10,207,094	14,577,432	-	-
	<b>2,856,945,830</b>	<b>2,509,255,207</b>	<b>2,830,214,736</b>	<b>2,447,081,659</b>
Closing balance	<b>2,488,521,769</b>	<b>1,464,019,449</b>	<b>2,658,041,849</b>	<b>1,634,223,204</b>
<b>19. Letters of guarantee</b>				
Directors	-	-	-	-
Government	3,254,715,812	5,240,406,708	7,870,544,220	5,240,406,708
Banks and other financial institutions	1,000,438,500	2,552,569,807	1,000,438,500	2,552,569,807
Others	8,516,431,778	5,979,187,712	3,900,603,370	5,979,187,712
	<b>12,771,586,090</b>	<b>13,772,164,227</b>	<b>12,771,586,090</b>	<b>13,772,164,227</b>
Less: Margin	543,089,226	596,901,394	543,089,226	596,901,394
	<b>12,228,496,864</b>	<b>13,175,262,833</b>	<b>12,228,496,864</b>	<b>13,175,262,833</b>
<b>19.1</b>	A case was filed by Eastern Bank Limited, successor of BCCI, against National Bank Limited (NBL) at Artha Rin Adalat - 3, Dhaka for guarantee issued by NBL in favour of EBL, which has been decreed against NBL on 04 January 2004 for BDT 27,366,450 plus interest @ 18% p.a. from 01 October 1994 to the date of payment. Against the decreed amount, NBL has made an appeal which is pending in the honorable High Court, Dhaka. Before filing the appeal, the Bank has paid BDT 13,683,225 being 50% of the principal decreed amount which is included under other assets in these financial statements. Provision for BDT 13,683,225 was made in 2006 and the balance of BDT 13,683,225 was made in 2007.			
<b>20. Interest income</b>				
Interest on advances	19,429,070,138	20,402,374,999	19,407,604,423	20,394,937,480
Interest on money at call and short notice	7,896,791	44,166,264	7,896,791	44,166,264
Interest on placement with other banks	75,373,869	155,502,046	75,373,869	155,502,046
Interest on foreign currency balances	13,810,736	26,404,769	13,810,736	26,404,769
	<b>19,526,151,534</b>	<b>20,628,448,078</b>	<b>19,504,685,819</b>	<b>20,621,010,559</b>



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	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>21. Interest paid on deposits and borrowings, etc</b>				
Interest on deposits	15,051,144,027	15,803,287,229	15,071,623,685	15,803,287,419
Interest on borrowings	383,496,066	420,844,429	383,496,066	420,844,429
Discount	1,116,572,094	287,568,610	1,116,572,094	287,568,610
	<b>16,551,212,187</b>	<b>16,511,700,268</b>	<b>16,571,691,845</b>	<b>16,511,700,458</b>
<b>22. Investment income</b>				
<b>Dividend on shares</b>				
Local	341,550,601	338,713,429	335,697,979	335,332,572
Overseas	11,064,799	16,093,779	11,064,799	16,093,779
	<b>352,615,400</b>	<b>354,807,208</b>	<b>346,762,778</b>	<b>351,426,351</b>
Interest on treasury bills and bonds	4,914,986,593	4,581,863,771	4,914,986,593	4,581,863,771
Interest on debenture and bonds	80,829,075	153,582,873	80,829,075	153,582,873
Gain on Government securities	2,578,006,855	785,352,973	2,578,006,855	785,352,973
Profit from sale of share of listed company	15,263,342	103,551,406	8,424,236	80,093,091
Prize bonds	133,300	104,900	133,300	104,900
	<b>7,941,834,565</b>	<b>5,979,263,131</b>	<b>7,929,142,837</b>	<b>5,952,423,959</b>
<b>23. Commission, exchange and brokerage</b>				
Commission	1,103,042,029	1,359,282,352	841,388,558	1,055,531,819
Exchange gain net off exchange losses	657,566,556	630,793,443	657,566,556	630,793,443
Brokerage	2,269,116	13,059,396	2,269,116	13,059,396
	<b>1,762,877,701</b>	<b>2,003,135,191</b>	<b>1,501,224,230</b>	<b>1,699,384,658</b>
<b>24. Other operating income</b>				
Locker rent	5,847,282	5,544,255	5,847,282	5,544,255
Credit card and ATM	14,677,359	12,590,264	14,677,359	12,590,264
Confirmation charges	122,939,412	119,587,616	122,939,412	119,587,616
Gain from sales of assets	1,173,789	4,034,572	1,173,789	4,034,572
Remittance income	34,058,856	38,039,170	34,058,856	38,039,170
Other receipts	557,789,122	581,615,496	534,598,691	574,684,595
	<b>736,485,820</b>	<b>761,411,373</b>	<b>713,295,389</b>	<b>754,480,472</b>
<b>25. Salaries and allowances</b>				
Basic salary	1,346,225,094	1,299,155,318	1,252,973,623	1,223,803,622
Allowances	1,192,797,846	1,169,479,392	1,192,797,846	1,169,479,392
Bonus	194,352,257	290,235,094	194,352,257	290,235,094
Bank's contribution to provident fund	227,996,577	103,869,135	227,996,577	103,869,135
Gratuity	224,128,879	169,473,600	224,128,879	169,473,600
Provision for the year	80,000,000	50,000,000	80,000,000	50,000,000
Paid during the year	144,128,879	119,473,600	144,128,879	119,473,600
	<b>3,185,500,653</b>	<b>3,032,212,539</b>	<b>3,092,249,182</b>	<b>2,956,860,843</b>
<b>26. Rent, taxes, insurance, electricity, etc.</b>				
Rent, rates and taxes	346,904,780	313,797,108	313,845,680	272,775,822
Insurance	177,736,014	181,963,027	177,736,014	181,963,027
Electricity	100,326,854	101,820,496	100,326,854	101,820,496
	<b>624,967,648</b>	<b>597,580,631</b>	<b>591,908,548</b>	<b>556,559,345</b>
<b>27. Legal expenses</b>				
Law charges	23,514,997	24,830,466	23,514,997	23,660,911
Other professional charges	1,641,407	1,047,923	1,633,907	1,047,923
	<b>25,156,404</b>	<b>25,878,389</b>	<b>25,148,904</b>	<b>24,708,834</b>
<b>28. Postage, stamp, telecommunication, etc</b>				
Telephone - office	21,129,280	22,249,803	16,940,687	17,694,459
Telephone - residence	42,789,182	38,005,977	42,789,182	38,005,977
Telegram, telex, fax and e-mail	19,166,751	20,398,951	19,166,751	20,398,951
Postage	652,495	638,045	652,495	638,045
	<b>83,737,708</b>	<b>81,292,776</b>	<b>79,549,115</b>	<b>76,737,432</b>
<b>29. Stationery, printing, advertisement, etc</b>				
Printing and stationery	125,658,806	96,626,937	122,386,172	92,089,384
Publicity and advertisement	31,200,226	17,519,285	31,200,226	17,519,285
	<b>156,859,032</b>	<b>114,146,222</b>	<b>153,586,398</b>	<b>109,608,669</b>
<b>30. Managing Director's salary and allowances</b>				
Basic salary	3,512,903	3,077,419	3,512,903	3,077,419
Allowance	2,732,259	2,393,548	2,732,259	2,393,548
Bonus	900,000	900,000	900,000	900,000
Bank's contribution to provident fund	351,290	307,742	351,290	307,742
	<b>7,496,452</b>	<b>6,678,709</b>	<b>7,496,452</b>	<b>6,678,709</b>
<b>31. Directors' fees and other benefits</b>				
Fees	2,971,289	2,388,765	1,205,000	1,165,000
<b>Other benefits</b>				
Haltage, traveling and other	788,087	694,329	788,087	694,329
Refreshment	1,342,917	586,310	1,342,917	586,310
	<b>2,131,004</b>	<b>1,280,639</b>	<b>2,131,004</b>	<b>1,280,639</b>
	<b>5,102,293</b>	<b>3,669,404</b>	<b>3,336,004</b>	<b>2,445,639</b>

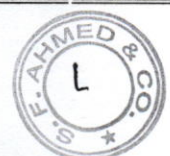
Each Director is paid an amount of BDT 5,000 per board meeting and per committee meeting attended as per BRPD circular no. 03 dated 18 January 2010. The same has been revised to BDT 8,000 as per BRPD circular letter no. 11 dated 04 October 2015.



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>32. Auditors' fees</b>	<b>1,686,713</b>	<b>1,445,882</b>	<b>450,000</b>	<b>450,000</b>
<b>33. Repair, maintenance and depreciation</b>				
<b>Depreciation</b>				
Buildings	34,423,816	32,241,797	34,423,816	32,241,797
Furniture and fixture	79,289,436	75,304,532	79,289,436	75,304,532
General equipments	102,118,497	100,373,842	102,118,497	100,373,842
Computer equipments	52,669,221	54,090,526	52,669,221	54,090,526
Vehicles	26,164,183	22,836,925	26,164,183	22,836,925
Vehicles (under lease)	-	6,611,800	-	6,611,800
Books	77,755	83,650	77,755	83,650
	<b>294,742,908</b>	<b>291,543,072</b>	<b>294,742,908</b>	<b>291,543,072</b>
<b>Repairs and maintenance</b>				
Office premises	11,992,376	32,270,280	11,992,376	10,660,278
Furniture and fixtures	4,540,554	4,703,895	4,540,554	4,703,895
Vehicles	17,333,096	8,989,763	17,333,096	8,989,763
Equipments	159,595,983	53,962,981	137,868,287	53,962,981
	<b>193,462,009</b>	<b>99,926,919</b>	<b>171,734,313</b>	<b>78,316,917</b>
	<b>488,204,917</b>	<b>391,469,991</b>	<b>466,477,221</b>	<b>369,859,989</b>
<b>34. Other expenses</b>				
Car expenses	75,745,753	79,735,492	75,745,753	79,735,492
Credit card expenses	1,702,348	31,919,052	1,702,348	31,919,052
Entertainment	58,521,930	58,260,126	58,521,930	58,260,126
Traveling expenses	27,286,183	26,422,478	27,286,183	26,422,478
Donations	128,032,506	61,788,272	128,032,506	61,788,272
Subscriptions	3,174,091	3,167,080	3,174,091	3,167,080
Periodicals	2,200,433	2,294,747	2,200,433	2,294,747
Cartage/freight	27,123,620	24,343,240	27,123,620	24,343,240
Medical expense	11,169,634	12,884,983	11,169,634	12,884,983
Overseas expenses	5,560,190	3,429,850	5,560,190	3,429,850
Uniform and liveries	6,172,624	7,864,495	6,172,624	7,864,495
Training expenses	11,260,184	7,970,947	11,260,184	7,970,947
Loss on sale of share/ property/ asset	3,149,083	3,171	3,149,083	3,171
Miscellaneous	117,312,981	111,228,528	26,420,552	23,702,973
	<b>478,411,560</b>	<b>431,312,461</b>	<b>387,519,131</b>	<b>343,786,906</b>
<b>35. Changes in other assets</b>				
<b>Balance at the beginning of the year</b>				
Stock of stationery			27,229,816	33,920,423
Stamps in hand			2,600,564	2,375,148
Suspense account			336,940,462	189,443,607
Advance deposits			5,171,624	5,202,204
Sundry assets			262,546,104	397,278,840
Demand draft paid without advice			12,837,177	16,716,154
Bill purchase account - credit card			252,497,338	417,643,714
Inter-branch adjustment account (Net)			652,570,528	(634,022,440)
Payment made against claim made by EBL for guarantee issued by BCCI			13,683,225	13,683,225
Advance against cash assistance			2,322,729	9,510,000
Receivables			16,063,421	-
Advance against branches			5,725,000	4,133,860
Advance against NBL Tower			853,203,000	319,674,273
Advance against fixed assets			243,709,826	233,717,826
Others			7,086,983	28,082,150
			<b>2,694,187,797</b>	<b>1,037,358,984</b>
<b>Balance at the end of the year</b>				
Stock of stationery			33,669,893	27,229,816
Stamps in hand			2,995,814	2,600,564
Suspense account			318,620,741	336,940,462
Advance deposits			5,167,189	5,171,624
Sundry assets			251,145,697	262,546,104
Demand draft paid without advice			14,145,177	12,837,177
Bill purchase account - credit card			390,395,666	252,497,338
Inter-branch adjustment account (Net)			85,232,463	652,570,528
Payment made against claim made by EBL for guarantee issued by BCCI			13,683,225	13,683,225
Advance against cash assistance			3,871,781	2,322,729
Receivables			-	16,063,421
Advance against branches			27,580,522	5,725,000
Advance against NBL Tower			1,030,482,000	853,203,000
Advance against fixed assets			352,765,232	243,709,826
Others			98,049,965	7,086,983
			<b>2,627,805,365</b>	<b>2,694,187,797</b>
<b>Net changes</b>			<b>66,382,432</b>	<b>(1,656,828,813)</b>



National Bank Limited

**Notes to the financial statements**  
**For the year ended 31 December 2015**

	Group		Bank	
	2015 BDT	2014 BDT	2015 BDT	2014 BDT
<b>36. Changes in other liabilities</b>				
<b>Balance at the beginning of the year</b>				
Un-paid dividend			10,009,092	10,009,092
Provision for bonus			204,265,485	191,234,393
Interest suspense account			3,226,821,883	2,203,179,890
Provision for other classified assets			870,266,450	90,266,450
ATM card holders' accounts			35,500	35,500
Foreign currencies adjustment account			811,843,016	1,353,272,709
Bills payable account MPS (CCD)			12,003,024	9,583,346
Provision for LFA			89,833,143	88,492,288
Clearing adjusting account			34,156	128,327
Others			45,219,230	49,076,292
			<b>5,270,330,979</b>	<b>3,995,278,287</b>
<b>Balance at the end of the year</b>				
Un-paid dividend			10,009,092	10,009,092
Provision for bonus			323,640,835	204,265,485
Interest suspense account			6,504,948,417	3,226,821,883
Provision for other classified assets			1,217,153,656	870,266,450
ATM card holders' accounts			35,500	35,500
Foreign currencies adjustment account			1,292,978,086	811,843,016
Bills payable account MPS (CCD)			4,931,883	12,003,024
Provision for LFA			89,055,351	89,833,143
Clearing adjusting account			34,149	34,156
Others			76,332,338	45,219,230
			<b>9,519,119,307</b>	<b>5,270,330,979</b>
<b>Net Changes</b>			<b>4,248,788,328</b>	<b>1,275,052,692</b>
<b>37. Earnings per share (EPS) Restated</b>				
(a) Net profit after tax	3,881,435,282	2,682,926,375	3,854,033,381	2,660,293,483
(b) Number of ordinary shares outstanding	1,561,563,568	1,561,563,568	1,561,563,568	1,561,563,568
(c) Issue of bonus shares during the year 10% of (b)	156,156,356	156,156,356	156,156,356	156,156,356
(d) Number of ordinary shares outstanding (d=b+c)	1,717,719,924	1,717,719,924	1,717,719,924	1,717,719,924
Earnings per share (EPS) (a/d)	<b>2.26</b>	<b>1.56</b>	<b>2.24</b>	<b>1.55</b>

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of 31 December 2015 in terms of BAS 33: "Earnings Per Share (EPS)". EPS for the year ended 31 December 2014 was restated for the issues of bonus share in 2015 for the year ended 2014.

**38. 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 4,266.



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

39. 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. Anwar Hussain	Independent Director	Chairman	BSc Engr. (Civil)
ii)	Mr. Mabroor Hossain	Director	Member	Graduate
iii)	Mr. Md. Mahbubur Rahman Khan	Independent Director	Member	SSC

During the year under review, the audit committee of the Board conducted 5 (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 2016.
- Review of working of the credit administration division of the Bank.
- Review of the classified portfolio and recovery position of the Bank.
- Review the training program of the Bank.
- Review of Green Banking and stress Testing of the Bank.
- Review of the activities of management committee (MANCOM) of the Bank.
- Review of the disposal of the law suits of the Bank.

40. Event after the Balance Sheet date

No material event had occurred after the balance sheet date except declaration of 15% stock dividend.

41. Related party disclosures

- i) Name of the Directors and the entities in which they have interest as on 31 December 2015:

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



**National Bank Limited**

**Notes to the financial statements**

**For the year ended 31 December 2015**

Ms. Parveen Haque Sikder	Director	<b><u>Chairperson</u></b>	
		Millennium International School	34.80%
		Mandy Dental College & Hospital	
		J & M Builders (Pvt) Ltd.	50.00%
		Western Bowling & Fitness Centre	100.00%
		Jeffrey Institute of Health Science & Technology	100.00%
		Powertech Holdings Ltd.	50.00%
		Golden Barn Kingdom (Pvt) Ltd.	
		ISO Tech Group	
		<b><u>Vice Chairperson</u></b>	
		Z H Sikder Women's Medical College & Hospital (Pvt.) Ltd.	9.40%
		Sikder Real Estate Ltd.	10.00%
		<b><u>Director</u></b>	
		Sikder Pharmaceuticals Ltd.	10.00%
		<b><u>Treasurer</u></b>	
		Z H Sikder University of Science & Technology	
		<b><u>Proprietor</u></b>	
		Z M Real Estate	
		<b><u>Member</u></b>	
		Monowara Sikder Medical College and Hospital.	
Alhaj Mokforuddin Sikder Foundation			
Zarina Sikder Trust			
Alhaj Khalilur Rahman	Director	<b><u>Chairman</u></b>	
		KDS Garments Ind. Ltd.	50.15%
		KDS Apparels Ltd.	49.88%
		KY Steel Mills Ltd.	98.00%
		KIY Steel Ind. Ltd.	95.00%
		KDS High Tech Garments (BD) Ltd	50.00%
		KDS Information Tech. Ltd.	55.00%
		KDS Fashion Ltd.	0.86%
		Steel Accessories Ltd.	50.00%
		KDS Logistics Ltd.	43.24%
		Pragati Life Insurance Ltd.	197,568 shares
		KDS IDR Ltd.	45.00%
		KDS Cotton Poly Thread Ltd.	14.67%
		<b><u>Director</u></b>	
		Sky Securities Ltd.	42.46%
		KDS Accessories Ltd.	46.92%
		KDS Poly Ind. Ltd.	74.00%
		<b><u>Managing Director</u></b>	
		KDS Textile Mills Ltd.	20.27%
		KYCR Coil Ind. Ltd.	9.21%
<b><u>Shareholder</u></b>			
Al-Arafah Islami Bank Ltd.	5,184,145 shares		
Pragati Insurance Ltd.	2,811,796 shares		
Mr. Moazzam Hossain	Director	<b><u>Chairman</u></b>	
		Hosaf International Ltd.	22.93%
		Shandong Ludi Xinwen & Hosaf Mining (BD) Ltd.	20.00%
		Hosaf Gene Cure Pharma Co. Ltd.	36.67%
		Hosaf Proficient Energy Ltd.	50.00%
		Shahjibazar Electric Generation Ltd.	32.00%
		<b><u>Managing Director</u></b>	
		EnergyPrima Ltd.	30.43%
		Hosaf Meter Industry Ltd.	97.89%
		Citi Link Apartment Ltd.	99.98%
		<b><u>Director</u></b>	
		Euro Knitting & Dyeing Inds. Ltd.	11.46%
		<b><u>Proprietor</u></b>	
		Hosaf Consultancy	100.00%





**National Bank Limited**

**Notes to the financial statements**  
**For the year ended 31 December 2015**

		<b><u>Shareholder</u></b>	
		United Hospital Ltd.	0.42%
		Pragati Insurance Ltd. (Sponsor)	1.57%
Mr. Zakaria Taher	Director	<b><u>Chairman</u></b>	
		Purbachal Drillers Ltd.	50.00%
		T S Holdings Ltd.	60.00%
		Microgenix BD Ltd.	25.00%
		Zyta Garments Ltd.	60.00%
		<b><u>Director</u></b>	
		Jeans Culture Ltd.	40.00%
		<b><u>Managing Director</u></b>	
		Armana Fashions Ltd.	50.50%
		Armana Apparels Ltd.	50.00%
		Zyta Apparels Ltd.	51.00%
		Denimach Ltd.	15.00%
		Denimach Washing Ltd.	10.00%
		Denitex Ltd.	20.00%
		<b><u>Sponsor shareholder</u></b>	
		Pragati Life Insurance Ltd.	235,895 shares
		Pragati Insurance Ltd.	260,491 shares
		TSCO Power Ltd.	49.50%
		T S Transformer Ltd.	34.50%
Mr. Rick Haque Sikder	Director	<b><u>Chairman</u></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%
		<b><u>Director</u></b>	
		Z H Sikder Women's Medical College & Hospital (pvt) Ltd.	9.40%
		Sikder Pharmaceuticals Ltd.	10.00%
		Sikder Real Estate Ltd.	10.00%
		<b><u>Managing Director</u></b>	
		R & R Aviation Ltd.	81.90%
		BEL Construction SDN BHD Ltd.	80.00%
		<b><u>Managing Partner</u></b>	
		PowerPac	50.00%
		A1 Trade Center	50.00%
		<b><u>Proprietor</u></b>	
		The River	100.00%
		<b><u>Member</u></b>	
		Z H Sikder University of Science & Technology	
		Monowara Sikder Medical College and Hospital.	
		Alhaj Mokforuddin Sikder Foundation	
		Zarina Sikder Trust	
Mr. Ron Haque Sikder	Director	<b><u>Managing Director</u></b>	
		R & R Holdings Ltd.	50.00%
		PowerPac Holdings Ltd.	50.00%
		PowerPac Mutiara Keraniganj Power Plant Ltd. (100 MW)	50.00%
		PowerPac Keraniganj-II Power Plant Ltd. (161 MW)	50.00%
		PowerPac Mutiara Khulna Power Plant Ltd. (100 MW)	50.00%
		PowerPac Mutiara Jamalpur Power Plant Ltd.(100 MW)	50.00%



National Bank Limited

Notes to the financial statements  
For the year ended 31 December 2015

		<b><u>Director</u></b>	
		Z H Sikder Women's Medical College & Hospital (pvt) Ltd.	9.40%
		Sikder Pharmaceuticals Ltd.	10.00%
		<b><u>Vice Chairman</u></b>	
		Sikder Real Estate Ltd.	10.00%
		<b><u>Managing Partner</u></b>	
		Power Pac	50.00%
		A1 Trade Center	50.00%
		<b><u>Member</u></b>	
		Z H Sikder University of Science & Technology	
		Monowara Sikder Medical College and Hospital.	
		Alhaj Mokforuddin Sikder Foundation	
		Zarina Sikder Trust	
		<b><u>Shareholder</u></b>	
		R & R Aviation Ltd.	18.00%
Mr. Mabroor Hossain	Director	<b><u>Director</u></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%
		Shandong Ludi Xinwen & Hosaf Mining (BD) Ltd.	5.00%
		Hosaf Proficient Energy Ltd.	40.00%
		EnergyPrima Ltd.	0.04%
		Shahjibazar Electric Generation Ltd.	10.00%
		<b><u>Shareholder</u></b>	
		Pragati Life Insurance Ltd	3.25%
		Pragati Insurance Ltd.	0.01%
		<b><u>Proprietor</u></b>	
		M H Holdings	100.00%
Mr. Salim Rahman	Director	<b><u>Chairman</u></b>	
		KYCR Coil Ind. Ltd.	13.82%
		<b><u>Director</u></b>	
		KDS Textile Mills Ltd.	0.67%
		KDS Information Tech Ltd.	25.00%
		<b><u>Managing Director</u></b>	
		KDS Hi-Tech. Garments (BD) Ltd.	50.00%
		KDS Apparels Ltd.	50.12%
		Steel Accessories Ltd.	50.00%
		KDS Fashions Ltd.	1.71%
		KDS IDR Ltd.	45.00%
		KDS Accessories Ltd.	16.16%
		KDS Poly Ind. Ltd.	21.00%
		Sky Securities Ltd.	3.61%
		KDS Garments Ind. Ltd.	49.85%
		KDS Cotton Poly Thread Ind. Ltd.	7.92%
		KDS Logistic Ltd.	0.07%
		<b><u>Shareholder</u></b>	
		Al-Arafah Islami Bank Ltd.	14,576,005 shares
		Eastern Bank Ltd.	1,695,000 shares
		Pragati Insurance Ltd.	621,147 shares
		Pragati Life Insurance Ltd.	210,832 shares
		International Leasing & Financial Services Ltd.	260,400 shares
Mr. Md. Anwar Hussain	Independent Director	<b><u>Chairman</u></b>	
		Western Agro Products Ltd.	
Mr. Md. Mahbur Rahman Khan	Independent Director	<b><u>Managing Director</u></b>	
		Himalaya Trading Co. Ltd.	
		Hotel Raffles Inn	
		<b><u>Proprietor</u></b>	
		M/s. Mahbur Rahman Khan	



National Bank Limited

Notes to the financial statements  
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Mr. A K M Enamul Hoque Shameem Independent Director **Member**  
Trustee board, Stamford University,  
Bangladesh  
Founder & President,  
Port City International University,  
Chittagong

Mr. A F M Shariful Islam 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	2015 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) & LC	119,218.03
Rick Haque Sikder and others	Director	SOD	287,746.65
NBL Securities Ltd.	Subsidiary	Loan	4,810,112.00
			<u><u>5,219,576.68</u></u>

v) **Lending policies to related parties**


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


- vi) Business other than banking business with any related concern of the Directors as per section 8(2) of the Banking Companies Act 1991: Nil  
vii) Investments in the securities of Directors and their related concern : Nil

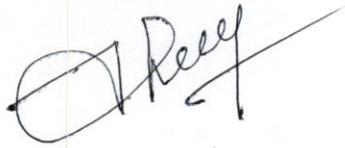
42. General

- 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.

  
Managing Director

for National Bank Limited  
  
Director

  
Director

  
Chairman

Dhaka, Bangladesh  
Dated, 28 April 2016



National Bank Limited  
Offshore Banking Unit, Bangladesh

Balance Sheet  
As at 31 December 2015

	Notes	2015		2014	
		USD	BDT	USD	BDT
<b>PROPERTY AND ASSETS</b>					
<b>Cash</b>					
In hand (including foreign currencies)		-	-	-	-
With Bangladesh Bank (Including foreign currencies)		-	-	-	-
<b>Balance with other banks and financial institutions (On current and other accounts) :</b>	<b>3</b>				
In Bangladesh		6,271,254.56	492,295,364	13,313,876.50	1,037,808,685
Outside Bangladesh		-	-	-	-
		<b>6,271,254.56</b>	<b>492,295,364</b>	<b>13,313,876.50</b>	<b>1,037,808,685</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		5,660,653.56	444,363,003	2,604,885.88	203,049,291
Outside Bangladesh		-	-	-	-
		<b>5,660,653.56</b>	<b>444,363,003</b>	<b>2,604,885.88</b>	<b>203,049,291</b>
ii) Bills purchased and discounted					
Payable in Bangladesh		30,777,168.95	2,416,016,996	34,115,064.99	2,659,248,847
Payable outside Bangladesh		-	-	-	-
		<b>30,777,168.95</b>	<b>2,416,016,996</b>	<b>34,115,064.99</b>	<b>2,659,248,847</b>
		<b>36,437,822.51</b>	<b>2,860,379,999</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>
<b>Fixed assets including premises, furniture and fixtures</b>	<b>5</b>	<b>541.24</b>	<b>42,488</b>	<b>725.72</b>	<b>56,570</b>
<b>Other assets</b>	<b>6</b>	<b>566,166.38</b>	<b>44,444,231</b>	<b>620,000.00</b>	<b>48,328,627</b>
<b>Non-banking assets</b>		-	-	-	-
<b>Total assets</b>		<b>43,275,784.69</b>	<b>3,397,162,082</b>	<b>50,654,553.09</b>	<b>3,948,492,020</b>



National Bank Limited  
Offshore Banking Unit, Bangladesh

Balance Sheet  
As at 31 December 2015

	Notes	2015		2014	
		USD	BDT	USD	BDT
<b>CAPITAL AND LIABILITIES</b>					
<b>Borrowings from other banks, financial institutions and agents</b>					
	7				
In Bangladesh		38,563,516.00	3,027,247,575	47,605,900.00	3,710,851,341
Outside Bangladesh		-	-	-	-
		<b>38,563,516.00</b>	<b>3,027,247,575</b>	<b>47,605,900.00</b>	<b>3,710,851,341</b>
		<b>38,563,516.00</b>	<b>3,027,247,575</b>	<b>47,605,900.00</b>	<b>3,710,851,341</b>
<b>Deposits and other accounts</b>					
	8				
Current deposits and other accounts		3,976,311.69	312,141,661	2,413,714.09	188,147,565
Term deposits		304,189.00	23,878,928	302,438.00	23,574,861
		<b>4,280,500.69</b>	<b>336,020,589</b>	<b>2,716,152.09</b>	<b>211,722,426</b>
<b>Other liabilities</b>					
	9	<b>431,768.00</b>	<b>33,893,918</b>	<b>332,501.00</b>	<b>25,918,253</b>
<b>Total liabilities</b>		<b>43,275,784.69</b>	<b>3,397,162,082</b>	<b>50,654,553.09</b>	<b>3,948,492,020</b>
<b>Shareholders' equity</b>					
Retained earnings brought forward from profit and loss account		-	-	-	-
<b>Total liabilities and shareholders' equity</b>		<b>43,275,784.69</b>	<b>3,397,162,082</b>	<b>50,654,553.09</b>	<b>3,948,492,020</b>
<b>Off - balance sheet items</b>					
<b>Contingent liabilities</b>					
Acceptance and endorsements		4,611,100.00	361,972,733	4,357,300.00	339,648,921
Letter of guarantee - Banks		-	-	-	-
Letter of guarantee - Others		93,400.00	7,331,928	207,200.00	16,151,116
Bills for collection		5,587,900.00	438,651,826	7,646,800.00	596,063,472
Irrevocable letters of credit		5,062,500.00	397,407,769	5,656,600.00	440,928,576
Other commitments		-	-	-	-
		<b>15,354,900.00</b>	<b>1,205,364,256</b>	<b>17,867,900.00</b>	<b>1,392,792,085</b>



National Bank Limited  
Offshore Banking Unit, Bangladesh

Profit and Loss Statement  
For the year ended 31 December 2015

	Notes	2015		2014	
		USD	BDT	USD	BDT
Interest income	10	2,070,294.42	162,518,733	1,826,573.30	142,380,293
Interest paid on deposits and borrowings	11	987,492.27	77,518,440	868,961.84	67,735,054
<b>Net interest income</b>		<b>1,082,802.15</b>	<b>85,000,293</b>	<b>957,611.46</b>	<b>74,645,239</b>
Commission, exchange and brokerage	12	267,943.59	21,033,652	366,130.92	28,539,685
Other operating Income	13	216,550.55	16,999,284	237,697.88	18,528,408
<b>Total operating income</b>		<b>1,567,296.29</b>	<b>123,033,229</b>	<b>1,561,440.26</b>	<b>121,713,332</b>
Salary and allowances	14	42,031.74	3,299,504	42,933.87	3,346,670
Rent, taxes, Insurance, electricity etc.	15	14,029.94	1,101,354	14,101.10	1,099,172
Postage, stamps, telecommunication etc.	16	18,390.81	1,443,684	22,525.37	1,755,839
Repair, maintenance and depreciation	17	734.86	57,687	229.95	17,924
Other operating expenses	18	1,188.72	93,315	356.89	27,819
		<b>76,376.07</b>	<b>5,995,544</b>	<b>80,147.18</b>	<b>6,247,424</b>
<b>Profit before provision</b>		<b>1,490,920.22</b>	<b>117,037,685</b>	<b>1,481,293.08</b>	<b>115,465,908</b>
Less: General provision against UC loan	2.3	-	-	-	-
<b>Profit before income tax</b>		<b>1,490,920.22</b>	<b>117,037,685</b>	<b>1,481,293.08</b>	<b>115,465,908</b>
Less: Provision for income tax	2.3	-	-	-	-
<b>Net profit after taxation</b>		<b>1,490,920.22</b>	<b>117,037,685</b>	<b>1,481,293.08</b>	<b>115,465,908</b>
Balance of profit brought forward		-	-	-	-
Effect of changes in exchange rate		-	-	-	-
<b>Retained earnings carried forward</b>		<b>1,490,920.22</b>	<b>117,037,685</b>	<b>1,481,293.08</b>	<b>115,465,908</b>
Less: Retained earnings transferred to central operation		1,490,920.22	117,037,685	1,481,293.08	115,465,908
		-	-	-	-



National Bank Limited  
Offshore Banking Unit, Bangladesh

Cash Flow Statement  
For the year ended 31 December 2015

	2015		2014	
	USD	BDT	USD	BDT
<b>A) Cash flows from operating activities</b>				
Interest Income	2,070,294.42	162,518,733	1,826,573.30	142,380,293
Interest paid	(987,492.27)	(77,518,440)	(868,961.84)	(67,735,054)
Commission, exchange and brokerage	267,943.59	21,033,652	366,130.92	28,539,686
Received from other operating activities	216,550.55	16,999,284	237,697.88	18,528,407
Paid to employees	(42,031.74)	(3,299,504)	(42,933.87)	(3,346,669)
Paid to supplier	(32,971.13)	(2,588,243)	(36,671.94)	(2,858,556)
Paid for operating expenses	(1,188.72)	(93,315)	(356.89)	(27,819)
<i>Operating profit before changes in operating assets and liabilities</i>	<i>1,491,104.70</i>	<i>117,052,167</i>	<i>1,481,477.56</i>	<i>115,480,288</i>
(Increase)/decrease in operating assets:				
Loan and advances to customers	282,128.36	1,918,139	(19,166,488.51)	(1,497,516,439)
Other assets	53,833.51	3,884,396	(444,043.22)	(34,647,978)
Increase/(decrease) in operating liabilities:				
Effect of changes in exchange rate	-	-	-	(191)
Deposits from Banks	-	-	-	-
Customers' deposits and other accounts	1,564,348.60	124,298,163	(423,592.07)	(32,392,682)
Borrowing from other banks and financial institutions	(9,042,384.00)	(683,603,766)	26,440,150.00	2,065,214,278
Other liabilities	99,267.11	7,975,265	313,477.00	24,439,135
<b>Net cash provided from operating activities</b>	<b>(7,042,806.42)</b>	<b>(545,527,803)</b>	<b>6,719,503.20</b>	<b>525,096,123</b>
	<b>(5,551,701.72)</b>	<b>(428,475,636)</b>	<b>8,200,980.76</b>	<b>640,576,411</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	(1,490,920.22)	(117,037,685)	(1,481,293.08)	(115,465,907)
<b>D) Net increase in cash and cash equivalents (A+B+C)</b>	<b>(7,042,621.94)</b>	<b>(545,513,321)</b>	<b>6,719,687.68</b>	<b>525,110,504</b>
<b>E) Opening cash and cash equivalents</b>	<b>13,313,876.50</b>	<b>1,037,808,685</b>	<b>6,594,188.82</b>	<b>512,698,181</b>
<b>F) Closing cash and cash equivalent (D+E)</b>	<b>6,271,254.56</b>	<b>492,295,364</b>	<b>13,313,876.50</b>	<b>1,037,808,685</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	6,271,254.56	492,295,364	13,313,876.50	1,037,808,685
Money at call and short notice	-	-	-	-
Prize bonds	-	-	-	-
	<b>6,271,254.56</b>	<b>492,295,364</b>	<b>13,313,876.50</b>	<b>1,037,808,685</b>



**National Bank Limited**  
**Offshore Banking Unit, Bangladesh**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2015**

**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.

**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, Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BAS) 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 BAS-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.

	2015		2014	
	USD	BDT	USD	BDT
<b>3 Balance with other banks and financial institutions</b>				
Inside Bangladesh				
NBL Mohakhali Branch	1,038,048.42	81,487,112	182,419.20	14,219,467
Placement with NBL	5,105,000.00	400,744,032	8,828,500.00	688,176,278
Head Office ID	128,206.14	10,064,220	4,302,957.30	335,412,940
	<b>6,271,254.56</b>	<b>492,295,364</b>	<b>13,313,876.50</b>	<b>1,037,808,685</b>

**3.1 Balance with other banks and financial institutions (according to remaining maturity grouping)**

**Payable**

On demand	6,271,254.56	488,840,530	13,313,876.50	1,037,808,685
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>6,271,254.56</b>	<b>488,840,530</b>	<b>13,313,876.50</b>	<b>1,037,808,685</b>

**4 Loans and advances**

**4.1 Loans, cash credit, overdraft etc.**

**4.1.1 Inside Bangladesh**

Loans	4,906,795.91	385,184,951	1,445,749.84	112,695,333
Cash credit	-	-	-	-
Loan against TR	191,643.71	15,044,089	359,522.40	28,024,555
Secured cverdraft	562,213.94	44,133,963	799,613.64	62,329,403
	<b>5,660,653.56</b>	<b>444,363,003</b>	<b>2,604,885.88</b>	<b>203,049,291</b>

**4.1.2 Outside Bangladesh**

	-	-	-	-
	<b>5,660,653.56</b>	<b>444,363,003</b>	<b>2,604,885.88</b>	<b>203,049,291</b>

**4.2 Bills purchased and discounted**

**4.2.1 Inside Bangladesh**

Local bill purchased	163,700.00	12,850,499	154,900.00	12,074,362
Foreign bill purchased	30,613,468.95	2,403,166,497	33,960,164.99	2,647,174,485

**4.2.2 Outside Bangladesh**

	-	-	-	-
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	<b>30,777,168.95</b>	<b>2,416,016,996</b>	<b>34,115,064.99</b>	<b>2,659,248,847</b>
	<b>36,437,822.51</b>	<b>2,860,379,999</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>





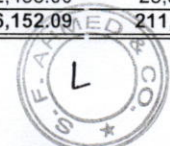
**National Bank Limited**  
Offshore Banking Unit, Bangladesh  
Notes to the Financial Statements  
For the year ended 31 December 2015

	2015		2014	
	USD	BDT	USD	BDT
<b>4.3 Maturity grouping of loans and advances including bills discounted and purchased</b>				
Payable on demand	-	-	-	-
Less than three months	889,000.00	69,786,767	-	-
More than three months but less than one year	30,785,822.51	2,416,696,303	31,599,017.55	2,463,124,458
More than one year but less than five years	4,763,000.00	373,896,929	5,120,933.32	399,173,680
	<b>36,437,822.51</b>	<b>2,860,379,999</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>
<b>4.4 Maturity analysis of bills purchased and discounted</b>				
Within one month	-	-	-	-
More than one month but less than three months	30,777,168.95	2,416,016,996	34,115,064.99	2,659,248,847
More than three months but less than six months	-	-	-	-
	<b>30,777,168.95</b>	<b>2,416,016,996</b>	<b>34,115,064.99</b>	<b>2,659,248,847</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 and Managing Director	-	-	-	-
Advances to Other executives and staffs	-	-	-	-
Advances to Customers (Group wise)	-	-	-	-
Industrial Advances	36,437,822.51	2,860,379,998	36,719,950.87	2,862,298,138
	<b>36,437,822.51</b>	<b>2,860,379,998</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>
<b>4.6 Industry-wise concentration of loans and advances</b>				
Air way sector (BBAW)	640,000.00	50,240,192	960,000.00	74,831,424
Power sector	-	-	-	-
Pharmaceuticals Industries	-	-	-	-
Textile and Garments Industry	4,825,000.00	378,763,948	7,027,404.36	547,781,953
Ship Breaking Industries	-	-	-	-
Industries for Steel products	-	-	714,646.44	55,706,261
Cement Industry	745,000.00	58,482,724	1,653,000.00	128,850,358
Others	30,227,822.51	2,372,893,135	26,364,900.07	2,055,128,142
	<b>36,437,822.51</b>	<b>2,860,379,999</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>
<b>4.7 Geographical location-wise concentration of Loans and advances</b>				
<i>Inside Bangladesh</i>				
Dhaka Division	36,437,822.51	2,860,379,998	36,719,950.87	2,862,298,138
Chittagong Division	-	-	-	-
Khulna Division	-	-	-	-
Rajshahi Division	-	-	-	-
Barishal Division	-	-	-	-
Sylhet Division	-	-	-	-
<i>Outside Bangladesh</i>	-	-	-	-
	<b>36,437,822.51</b>	<b>2,860,379,998</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>
<b>4.8 Classified, unclassified, doubtful and bad loans and advances</b>				
<b>Unclassified</b>				
Standard	36,437,822.51	2,860,379,998	36,719,950.87	2,862,298,138
Special Mention Account	-	-	-	-
<b>Classified</b>				
Sub-standard	-	-	-	-
Doubtful	-	-	-	-
Bad/Loss	-	-	-	-
	<b>36,437,822.51</b>	<b>2,860,379,998</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>



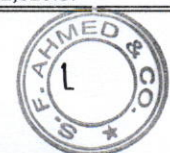
**National Bank Limited**  
Offshore Banking Unit, Bangladesh  
Notes to the Financial Statements  
For the year ended 31 December 2015

	2015		2014	
	USD	BDT	USD	BDT
<b>4.9 Particulars of loans and advances</b>				
i) Debt considered good in respect of which the bank is fully secured	36,437,822.51	2,860,379,998	36,719,950.87	2,862,298,138
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 debtor	-	-	-	-
iv) Debts considered doubtful or bad, not provided for	-	-	-	-
	<b>36,437,822.51</b>	<b>2,860,379,998</b>	<b>36,719,950.87</b>	<b>2,862,298,138</b>
v) Debts taken by directors or executives or any of them taken jointly or separately with other persons	-	-	-	-
vi) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person and debts due by companies or firms in which the directors, partners or managing agent or in the case of private companies as	-	-	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the period to directors or managers or officers of the bank or any of them either severally or jointly with any other persons	-	-	-	-
viii) Maximum total amount of advances, including temporary advance granted during the period to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies	-	-	-	-
ix) Due from other banking companies	-	-	-	-
x) Classified loans and advances on which no interest is credited to income	-	-	-	-
<b>5 Fixed assets including premises, furniture and fixtures</b>				
Furnitures, fixtures and fittings	1,807.35	141,878	1,807.35	140,882
Office equipments	8,291.02	650,848	8,291.02	646,280
	<b>10,098.37</b>	<b>792,726</b>	<b>10,098.37</b>	<b>787,162</b>
Accumulated depreciation	9,557.13	750,238	9,372.65	730,592
	<b>541.24</b>	<b>42,488</b>	<b>725.72</b>	<b>56,570</b>
<b>6 Other assets</b>				
Stationery in hand	-	-	-	-
Adjusting account debit	566,166.38	44,444,231	620,000.00	48,328,627
	<b>566,166.38</b>	<b>44,444,231</b>	<b>620,000.00</b>	<b>48,328,627</b>
<b>7 Borrowings from other banks, financial institutions and agents</b>				
<b>In Bangladesh</b>				
Head office, ID	38,563,516.00	3,027,247,575	47,605,900.00	3,710,851,341
Bangladesh Bank	-	-	-	-
	<b>38,563,516.00</b>	<b>3,027,247,575</b>	<b>47,605,900.00</b>	<b>3,710,851,341</b>
Outside Bangladesh	-	-	-	-
	<b>38,563,516.00</b>	<b>3,027,247,575</b>	<b>47,605,900.00</b>	<b>3,710,851,341</b>
<b>7.1 Classification based on types of security</b>				
Secured	-	-	-	-
Unsecured	38,563,516.00	3,027,247,575	47,605,900.00	3,701,358,725
	<b>38,563,516.00</b>	<b>3,027,247,575</b>	<b>47,605,900.00</b>	<b>3,701,358,725</b>
<b>7.2 Maturity grouping of borrowings from other banks, financial institutions and agents</b>				
Payable on demand	-	-	-	-
Payable within one month	38,563,516.00	3,027,247,575	47,605,900.00	3,710,851,341
More than one month but less than three months	-	-	-	-
More than three months but less than 1 year	-	-	-	-
More than 1 year but less than 5 years	-	-	-	-
	<b>38,563,516.00</b>	<b>3,027,247,575</b>	<b>47,605,900.00</b>	<b>3,710,851,341</b>
<b>8 Deposits and other accounts</b>				
<b>Current and other accounts</b>				
Current account	70,434.77	5,529,151	132,037.23	10,292,223
Sundry deposits	3,905,876.92	306,612,510	2,281,676.86	177,855,342
	<b>3,976,311.69</b>	<b>312,141,661</b>	<b>2,413,714.09</b>	<b>188,147,565</b>
Term deposits	304,189.00	23,878,928	302,438.00	23,574,861
	<b>4,280,500.69</b>	<b>336,020,589</b>	<b>2,716,152.09</b>	<b>211,722,426</b>



**National Bank Limited**  
**Offshore Banking Unit, Bangladesh**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2015**

	2015		2014	
	USD	BDT	USD	BDT
<b>8.1 Maturity grouping of deposits and other accounts</b>				
Payable on demand	70,434.77	5,529,151	132,037.23	10,292,223
Payable within one month	-	-	-	-
More than one month but less than three months	3,905,876.92	306,612,510	2,281,676.86	177,855,342
More than three months but less than one year	304,189.00	23,878,928	302,438.00	23,574,861
More than one year but less than five years	-	-	-	-
	<b>4,280,500.69</b>	<b>336,020,589</b>	<b>2,716,152.09</b>	<b>211,722,426</b>
<b>9 Other liabilities</b>				
Adjusting account credit	431,768.00	33,893,918	332,501.00	25,918,253
FC adjusting account	-	-	-	-
Provision for off-balance sheet items	-	-	-	-
Provision for unclassified loans and advances	-	-	-	-
	<b>431,768.00</b>	<b>33,893,918</b>	<b>332,501.00</b>	<b>25,918,253</b>
<b>10 Interest income</b>				
Interest on advances	1,706,967.81	133,997,485	1,361,334.27	106,115,190
Interest on money at call and short notice	-	-	-	-
Interest on fund placement with HO, ID	363,326.61	28,521,248	465,239.03	36,265,103
Interest on foreign currency balances	-	-	-	-
	<b>2,070,294.42</b>	<b>162,518,733</b>	<b>1,826,573.30</b>	<b>142,380,293</b>
<b>11 Interest paid on deposits and borrowings</b>				
Interest on deposits	2,066.00	162,182	1,402.00	109,285
Interest on borrowings	985,426.27	77,356,258	867,559.84	67,625,769
Discount	-	-	-	-
Interest on REPO	-	-	-	-
	<b>987,492.27</b>	<b>77,518,440</b>	<b>868,961.84</b>	<b>67,735,054</b>
<b>12 Commission, exchange and brokerage</b>				
Commission	267,867.97	21,027,716	366,122.85	28,539,056
Exchange gain net off exchange losses	75.62	5,936	8.07	629
Brokerage	-	0	-	-
	<b>267,943.59</b>	<b>21,033,652</b>	<b>366,130.92</b>	<b>28,539,685</b>
<b>13 Other operating income</b>				
Shipping Guarantee, handling charges, service charges etc.	126,322.05	9,916,319	124,887.78	9,734,928
Postage	1,014.50	79,639	1,203.00	93,773
Courier	26,548.00	2,084,026	37,159.00	2,896,522
SWIFT	52,652.00	4,133,198	59,886.00	4,668,078
Remittance income	4,060.00	318,711	5,450.00	424,824
Miscellaneous	5,954.00	467,391	9,112.10	710,283
	<b>216,550.55</b>	<b>16,999,284</b>	<b>237,697.88</b>	<b>18,528,408</b>
<b>14 Salaries and allowances</b>				
Basic salary	18,990.53	1,490,762	20,802.38	1,621,533
Allowances	21,276.54	1,670,215	20,207.27	1,575,145
Bank's contribution to PF	1,764.67	138,527	1,924.22	149,992
Bonus	-	-	-	-
Others	-	-	-	-
	<b>42,031.74</b>	<b>3,299,504</b>	<b>42,933.87</b>	<b>3,346,670</b>
<b>15 Rent, taxes, Insurance, electricity etc.</b>				
Rent office	13,413.94	1,052,998	13,469.47	1,049,937
Electricity	616.00	48,356	631.63	49,235
	<b>14,029.94</b>	<b>1,101,354</b>	<b>14,101.10</b>	<b>1,099,172</b>
<b>16 Postage, stamps, telecommunication etc.</b>				
Telephone office	83.48	6,553	72.63	5,661
Postage	-	-	-	-
Courier	13,238.03	1,039,189	16,427.24	1,280,494
Internet	-	-	195.22	15,217
SWIFT charges	5,069.30	397,942	5,830.28	454,467
	<b>18,390.81</b>	<b>1,443,684</b>	<b>22,525.37</b>	<b>1,755,839</b>



National Bank Limited  
Offshore Banking Unit, Bangladesh  
Notes to the Financial Statements  
For the year ended 31 December 2015

	2015		2014	
	USD	BDT	USD	BDT
<b>17 Repair, maintenance and depreciation</b>				
<b>Depreciation</b>				
Furnitures, fixtures, fittings etc.	184.48	14,482	184.48	14,380
Computer equipment	-	-	-	-
Office equipments	-	-	-	-
	<b>184.48</b>	<b>14,482</b>	<b>184.48</b>	<b>14,380</b>
<b>Repair and maintainance</b>				
Office premises	-	-	-	-
Office equipments	230.92	18,127	45.47	3,544
Furnitures and fixtures	319.46	25,078	-	-
Others	-	-	-	-
	<b>550.38</b>	<b>43,205</b>	<b>45.47</b>	<b>3,544</b>
	<b>734.86</b>	<b>57,687</b>	<b>229.95</b>	<b>17,924</b>
<b>18 Other operating expenses</b>				
Registration and renewal fees	-	-	-	-
Stationary	1,188.72	93,315	356.89	27,819
Others	-	-	-	-
	<b>1,188.72</b>	<b>93,315</b>	<b>356.89</b>	<b>27,819</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 78.5003 which represents the year-end mid rate of exchange as at 31 December 2015.

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



National Bank Limited

Offshore Banking Unit, Bangladesh

Statement of Liquidity in US Dollar  
(Maturity analysis of assets and liabilities)  
As at 31 December 2015

Particulars	Maturity within 1 month	Maturity within 1 to 3 months	Maturity within 3 to 12 months	Maturity within 1 to 5 years	Maturity over 5 years	Total Amount
	USD	USD	USD	USD	USD	USD
<b>ASSETS</b>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	6,271,254.56	-	-	-	-	6,271,254.56
Money at call and on short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans and advances to customers	-	889,000.00	30,785,822.51	4,763,000.00	-	36,437,822.51
Fixed assets	15.37	30.74	495.13	-	-	541.24
Other assets	-	566,166.38	-	-	-	566,166.38
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>6,271,269.93</b>	<b>1,455,197.12</b>	<b>30,786,317.64</b>	<b>4,763,000.00</b>	<b>-</b>	<b>43,275,784.69</b>
<b>LIABILITIES</b>						
Borrowings from other banks and financial institutions	38,563,516.00	-	-	-	-	38,563,516.00
Deposits and other accounts	70,434.77	3,905,876.92	304,189.00	-	-	4,280,500.69
Other liabilities	-	431,768.00	-	-	-	431,768.00
<b>Total Liabilities</b>	<b>38,633,950.77</b>	<b>4,337,644.92</b>	<b>304,189.00</b>	<b>-</b>	<b>-</b>	<b>43,275,784.69</b>
<b>Net Liquidity Difference</b>	<b>(32,362,680.84)</b>	<b>(2,882,447.80)</b>	<b>30,482,128.64</b>	<b>4,763,000.00</b>	<b>-</b>	<b>-</b>



National Bank Limited  
Offshore Banking Unit, Bangladesh

Statement of Liquidity in BDT  
(Maturity analysis of assets and liabilities)  
As at 31 December 2015

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
	BDT	BDT	BDT	BDT	BDT	BDT
<b>ASSETS</b>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	492,295,364	-	-	-	-	492,295,364
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customer	-	69,786,767	2,416,696,303	373,896,929	-	2,860,379,999
Fixed assets	1,207	2,413	38,868	-	-	42,488
Other assets	-	44,444,231	-	-	-	44,444,231
Non-banking assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>492,296,571</b>	<b>114,233,411</b>	<b>2,416,735,171</b>	<b>373,896,929</b>	<b>-</b>	<b>3,397,162,082</b>
<b>LIABILITIES</b>						
Borrowings from other banks & financial institutions	3,027,247,575	-	-	-	-	3,027,247,575
Deposits & other accounts	5,529,151	306,612,510	23,878,928	-	-	336,020,589
Other liabilities	-	33,893,918	-	-	-	33,893,918
<b>Total Liabilities</b>	<b>3,032,776,726</b>	<b>340,506,428</b>	<b>23,878,928</b>	<b>-</b>	<b>-</b>	<b>3,397,162,082</b>
<b>Net Liquidity Difference</b>	<b>(2,540,480,155)</b>	<b>(226,273,017)</b>	<b>2,392,856,243</b>	<b>373,896,929</b>	<b>-</b>	<b>-</b>



National Bank Limited

Annex - A

Schedule of Fixed Assets  
As at 31 December 2015

Particulars	Cost / Revaluation					Depreciation				Written down value at 31 December 2015
	At 01 January 2015	Addition	Disposal/ adjustment	Total at 31 December 2015	Rate (%)	At 01 January 2015	charge	Disposal/ adjustment	Total at 31 December 2015	
	BDT	BDT	BDT	BDT		BDT	BDT	BDT	BDT	
Land	667,336,292	120,604	-	667,456,896	0.00%	-	-	-	-	667,456,896
Building	1,359,401,634	11,927,720	-	1,371,329,354	2.50%	111,182,253	34,423,816	-	145,606,069	1,225,723,285
Furniture and fixtures	842,136,601	70,079,361	13,097,482	899,118,480	10.00%	369,076,684	79,289,436	4,506,490	443,859,630	455,258,850
General equipment	817,656,401	105,309,902	4,874,949	918,091,354	20.00%	570,537,214	102,118,497	1,695,611	670,960,100	247,131,254
Computer equipment	593,643,040	97,409,293	5,101,502	685,950,831	33.33%	528,907,578	52,669,221	5,101,335	576,475,464	109,475,367
Vehicles	253,984,519	6,606,171	7,850,843	252,739,847	20.00%	191,053,714	26,164,183	7,642,663	209,575,234	43,164,613
Books	1,397,607	9,259	-	1,406,866	20.00%	1,278,676	77,755	-	1,356,431	50,435
<b>At 31 December 2015</b>	<b>4,535,556,094</b>	<b>291,462,310</b>	<b>30,924,776</b>	<b>4,796,093,628</b>		<b>1,772,036,119</b>	<b>294,742,908</b>	<b>18,946,099</b>	<b>2,047,832,928</b>	<b>2,748,260,700</b>
<b>At 31 December 2014</b>	<b>4,144,023,846</b>	<b>418,893,970</b>	<b>27,361,722</b>	<b>4,535,556,094</b>		<b>1,507,434,471</b>	<b>291,543,072</b>	<b>26,941,424</b>	<b>1,772,036,119</b>	<b>2,763,519,975</b>







**National Bank Limited**

**Annex C**

**Status of large loan  
As at 31 December 2015**

SL no.	Name of the borrower	(Figures in crore)			Remarks
		Funded BDT	Non-funded BDT	Total outstanding BDT	
1	S Alam Group	558.95	678.68	1,237.63	
2	S Alam Super Edible Oils Ltd.	535.64	208.35	743.99	
3	Maisha Group	683.50	58.36	741.86	
4	Beximco Group	624.67	15.00	639.67	
5	FMC	439.70	42.73	482.43	
6	NBL Securities Ltd.	481.00	-	481.00	
7	Navana Group	451.62	0.32	451.94	
8	West Marine Shipyard Ltd.	428.93	-	428.93	
9	Ehsan Group	380.79	-	380.79	
10	Basundhara Group	159.67	208.41	368.08	
11	NASSA Group	262.49	105.58	368.07	
12	Afsar Real Estate Ltd.	350.58	-	350.58	
13	Pacific BD Telecom Limited	299.19	45.00	344.19	
14	Nurjahan Super Edible Oils Ltd & Khelque & Sons	308.18	-	308.18	
15	Chittagong Syndicate	276.32	31.13	307.45	
16	Marrine Vegetables & Ahmed Traders	293.19	-	293.19	
17	Saad Musa Group	154.46	130.62	285.08	
18	Khaleque Group	280.88	-	280.88	
19	S A Group	273.90	5.58	279.48	
20	Abul Khair Group	233.81	7.15	240.96	
21	Mujumder Traders	188.76	-	188.76	
22	TK Group	24.45	22.99	47.44	
23	Shopin Trade	33.65	-	33.65	
24	Ziri Subader Steel Re-Rolling	0.35	9.40	9.75	
<b>Total</b>		<b>7,724.68</b>	<b>1,569.30</b>	<b>9,293.98</b>	



National Bank Limited

Annex D

Status on REPO and Reverse REPO

As at 31 December 2015

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

(Figures in crore)

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

- ii) Disclosure regarding outstanding Reverse REPO

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

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

Counter party	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year
REPO/ALS			
With Bangladesh Bank	9.00	456.5	37.54
Other Banks & FIS	22.84	223.92	9.41
Reverse REPO			
With Bangladesh Bank	29.75	535.87	77.06
Other Banks & FIS	24.12	1386.08	388.76



National Bank Limited

Annex E

Structural Liquidity Profile  
As at 31 December 2015

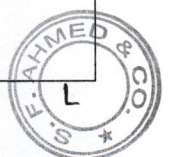
\*As per Bangladesh Bank circular no. 02 dated 29 March 2011.

(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)	230.18	-	-	-	-	-	-	230.18
Balance with Bangladesh Bank (LCY)	-	-	-	-	-	-	1,462.19	1,462.19
Balance with Bangladesh Bank (FCY)	-	-	-	-	-	-	-	-
Balance with other banks and financial institutions	117.81	202.94	250	90	35	-	7.33	703.08
Money at call and on short notice	149.53	-	-	-	-	-	-	149.53
Investment in G-SEC	-	-	40.06	210.17	482.80	1,131.24	3,149.77	5,014.04
Other Investment (Share, Debenture and bond, MFU and others)	0.76	-	442.72	-	589.80	60.00	162.09	1,255.37
Loans and advances	1,512.86	23.00	2,055.61	1,873.50	5,891.43	9,612.26	3,965.27	24,933.93
Bills purchased and discounted	10.17	30.52	40.69	111.89	10.17	-	-	203.44
Reverse REPO with Bangladesh Bank	-	-	-	-	-	-	-	-
Reverse REPO with Others	-	-	-	-	-	-	-	-
Fixed assets including premises, furniture and fixtures	-	-	-	-	-	-	279.57	279.57
Other assets	-	-	1.62	44.94	74.44	1,167.24	0.07	1,288.31
Non-banking assets	-	-	-	-	-	-	35.56	35.56
Other receivables	-	-	-	-	-	-	-	-
<b>Total Inflows</b>	<b>2,021.31</b>	<b>256.46</b>	<b>2,830.70</b>	<b>2,330.50</b>	<b>7,083.64</b>	<b>11,970.74</b>	<b>9,061.85</b>	<b>35,555.20</b>
<b>Liabilities (Outflows)</b>								
Borrowing from Bangladesh Bank (Refinances etc)	2.96	20.74	65.17	177.78	114.96	-	-	381.61
REPO/LS with Bangladesh Bank	-	-	-	-	-	-	-	-
REPO with other banks and fis.	-	-	-	-	-	-	-	-
Borrowing from other banks and fis.	-	-	443.54	-	-	-	-	443.54
Money at call and on short notice	-	-	-	-	-	-	-	-
Demand Deposits	49.06	50.69	52.33	75.22	1,308.22	1,735.02	-	3,270.54
Savings bank deposit	42.50	44.80	44.47	49.41	49.41	3,063.61	-	3,294.20
Fixed Deposit	50.85	320.13	1,760.36	6,348.82	2,671.37	3,705.09	1,880.99	16,737.61
Bills Payable	25.16	127.48	26.23	23.75	47.50	-	-	250.12
Provision and other liabilities	-	8.90	0.50	-	-	312.24	1,299.39	1,621.03
Capital and Reserve	-	-	-	-	25.60	102.40	2,835.53	2,963.53
<b>Total Outflows</b>	<b>170.53</b>	<b>572.74</b>	<b>2,392.60</b>	<b>6,674.98</b>	<b>4,217.06</b>	<b>8,918.36</b>	<b>6,015.91</b>	<b>28,962.18</b>
Letter of Credit/Guarantees (Net of margin)	17.10	119.70	394.29	1,322.82	1,761.11	-	-	3,615.02
Other OBS Items (Net of margin)	-	-	-	-	-	-	-	-
Available Balance with BB (FCY)	89.58	-	-	-	-	-	-	89.58
Net Nostro a/c balance	226.46	-	-	-	-	-	-	226.46
Net Mismatch	2,149.72	(435.98)	43.81	(5,667.30)	1,105.47	3,052.38	3,045.94	3,294.04
Cumulative Net Mismatch	2,149.72	1,713.74	1,757.55	(3,909.75)	(2,804.28)	248.10	3,294.04	

Medium Term Funding Ratio (MTF): 0.710053778

Maximum Cumulative Outflow (MCO): 0.1022



**National Bank Limited**

**Highlights on the activities of the Bank**

**As at 31 December 2015**

(BDT in Million)

Sl. No.	Particulars	2015	2014
1	Paid-up Capital	17,177.20	15,615.64
2	Total Capital (Tier-I+II)	31,264.33	29,217.56
3	Capital Surplus/ (Deficit)	5,328.74	4,261.50
4	Total Assets	281,569.21	256,537.46
5	Total Deposits	222,112.91	203,296.18
6	Total Loans and Advances	186,179.45	172,964.72
7	Total Contingent Liabilities and Commitments	51,470.56	63,525.84
8	Advance / Deposit Ratio (%)	83.82%	85.08%
9	Percentage of Classified Loans against total Loans and Advances	7.01%	5.26%
10	Profit after Provision & Tax	3,854.03	2,660.29
11	Amount of Classified Loans	13,046.00	9,102.46
12	Provision kept against Classified Loans	3,976.17	1,970.64
13	Provision Surplus / (Deficit)	(2,044.90)	(1,057.69)
14	Cost of Fund (including operating cost)	8.80%	10.28%
15	Interest Earning Assets	246,257.94	221,584.16
16	Non-interest Earning Assets	35,311.27	34,953.30
17	Return on Investment (ROI)	13.84%	10.66%
18	Return on Assets (ROA)	1.43%	1.08%
19	Income from Investment	7,929.14	5,952.42
20	Earnings per Share (Taka)	2.24	1.55
21	Net income per Share (Taka)	2.24	1.55
22	Price Earning Ratio (Times)	4.20	7.36
23	Net Assets Value per shares (Taka)	19.54	17.27
24	Net operating cash flow per share (Taka)	9.75	(3.49)

