

National Bank Limited
18, Dilkusha Commercial Area
Dhaka 1000

National Bank Limited

Auditors' report and consolidated financial statements
for the year ended December 31, 2018

Rahman Mostafa Alam & Co.
Chartered Accountants



Independent Auditor's Report to the Shareholders of National Bank Limited
Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of National Bank Limited and its subsidiary (the "Group") as well as the separate financial statements of National Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at December 31, 2018 and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at December 31, 2018, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.

Basis for Opinion

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

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matters
Measurement of provision for loans and advances	
Refer note no 8 and 15.2 to the financial statements	
The process for estimating the provision for customer loans and advances associated with credit risk is significant and complex. For the individual analysis these provisions consider the estimates of future business performance and the market value of collateral provided for credit transactions.	We tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none"> • Tested credit appraisal, loan disbursement and monitoring procedures, and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly Classification of Loans (CL) submitted to Bangladesh Bank;



<p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculation for the provision estimates of complex design and implementation.</p> <p>At year end the group and the bank reported total gross loans and advances of BDT 317,393,034,581 (2017: BDT 251,521,969,849) and BDT 314,507,263,171 (2017: BDT 248,467,148,359) respectively and the Bank reported provision for loans and advances of BDT 14,701,582,780 (2017: BDT 12,467,485,849).</p>	<p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <ul style="list-style-type: none"> • Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines and; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. • Finally, compared the amount of provision requirement as determined by Bangladesh Bank Department of Banking Inspection (DBI) team to the actual amount of provision maintained.
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Valuation of treasury bill and treasury bond

Refer note no 7.1.1 to the financial statements

<p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p>	<p>We assessed the processes and controls put in place by the Group to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over financial instruments valuation processes, including controls over market data inputs into valuation models, model governance, and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p>
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Measurement of deferred tax assets

Refer note no 10.1.3 to the financial statements

<p>At year end of 2018 the Bank reported total deferred tax assets of BDT 139,545,393 (2017: BDT 68,412,506) and deferred tax income of BDT 71,132,887 (2017: BDT 132,175,307).</p> <p>Significant judgment is required in relation to deferred tax assets as their</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Bank's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable</p>
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<p>recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>income. The Bank has sufficient taxable profit to recover the deferred tax assets in foreseeable future.</p> <p>We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTA's.</p> <p>Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.</p>
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IT systems and controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application based controls are operating effectively</p>	<p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.</p>

Legal and regulatory matters	
<p>We focused on this area because the Bank and its subsidiaries (the "Group") operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> <p>Overall, the legal provision represents the Group's and the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Group's financial position.</p>	<p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank's provisions and contingent liabilities disclosure.</p>



Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank in accordance with IFRSs as explained in note 2, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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



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

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

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

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

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



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Report on other Legal and Regulatory Requirements

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

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities;
- (iii) financial statements of all subsidiaries of the Bank which have been audited by other auditors have been properly reflected in the consolidated financial statements;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) the consolidated financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 3,208 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dated: Dhaka
April 30, 2019


Rahman Mostafa Alam & Co.
Chartered Accountants



National Bank Limited and Its Subsidiaries
Consolidated Balance Sheet
As at December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
PROPERTY AND ASSETS			
Cash		20,700,260,203	22,772,012,358
In hand (including foreign currencies)	3	3,290,281,287	3,432,689,173
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	17,409,978,916	19,339,323,185
Balance with other banks and financial institutions	5	4,806,844,364	7,986,190,345
In Bangladesh		3,879,714,515	7,263,894,546
Outside Bangladesh		927,129,849	722,295,799
Money at call and on short notice	6	91,300,000	3,601,300,000
Investments	7	54,635,972,783	57,425,482,643
Government		45,182,483,694	49,125,479,645
Others		9,453,489,089	8,300,002,998
Loans and advances	8	317,393,034,581	251,521,969,849
Loans, cash credits, overdrafts, etc.		309,746,999,284	244,773,548,842
Bills purchased and discounted		7,646,035,297	6,748,421,007
Fixed assets including premises, furniture and fixtures	9	2,473,199,881	2,916,642,139
Other assets	10	6,639,118,130	4,761,092,095
Non-banking assets	11	335,820,241	335,820,241
Total assets		407,075,550,183	351,320,509,670
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	8,869,136,774	5,212,267,540
Deposits and other accounts	13	314,686,457,859	272,602,092,316
Current deposit and other accounts		25,003,225,512	23,882,039,031
Bills payable		3,557,774,516	3,563,740,137
Savings bank deposits		47,036,369,863	44,672,378,291
Fixed deposits		140,200,871,603	123,752,106,294
Term deposit		98,888,216,365	76,731,828,563
Subordinated bonds	14	4,000,000,000	2,750,000,000
Other liabilities	15	34,997,315,383	30,419,192,363
Total liabilities		362,552,910,016	310,983,552,219
Shareholders' equity			
Total shareholders' equity		44,522,640,167	40,336,957,451
Paid-up capital	16.2	26,549,079,130	23,704,534,940
Statutory reserve	17	14,380,830,197	12,944,994,585
General reserve	18	29,468,778	38,683,490
Other reserve	19	902,123,990	563,904,806
Retained earnings	20	2,661,018,720	3,084,723,413
		44,522,520,815	40,336,841,234
Non-controlling (minority) interest		119,352	116,217
Total liabilities and shareholders' equity		407,075,550,183	351,320,509,670





National Bank Limited and Its Subsidiaries
Consolidated Balance Sheet
As at December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
OFF-BALANCE SHEET ITEMS			
Contingent liabilities		51,869,443,826	56,558,702,285
Acceptances and endorsements		18,547,717,728	20,940,105,122
Letters of guarantee	21	9,369,024,272	10,893,558,984
Irrevocable letters of credit		17,745,352,737	18,987,834,721
Bills for collection		6,207,349,089	5,737,203,458
Other contingent liabilities		-	-
Other commitments		967,382,900	82,870,600
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		967,382,900	82,870,600
Other exchange contracts		-	-
Total off-balance sheet items including contingent liabilities		52,836,826,726	56,641,572,885

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


Managing Director


Director


Director


Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka
April 30, 2019


Rahman Mostafa Alam & Co.
Chartered Accountants



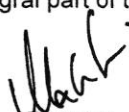



National Bank Limited and Its Subsidiaries
Consolidated Profit and Loss Statement
For the year ended December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
Interest income	22	27,959,667,457	22,517,073,480
Less: Interest paid on deposits and borrowings, etc.	23	21,051,421,721	16,106,469,182
Net interest income		6,908,245,736	6,410,604,298
Investment income	24	6,137,753,777	7,594,737,512
Commission, exchange and brokerage	25	1,590,896,866	1,817,425,090
Other operating income	26	1,174,148,775	601,751,674
		8,902,799,418	10,013,914,276
Total operating income		15,811,045,154	16,424,518,574
Salaries and allowances	27	4,060,874,943	3,874,881,338
Rent, taxes, insurance, electricity, etc.	28	858,615,663	722,270,878
Legal expenses	29	50,232,808	19,348,996
Postage, stamp, telecommunication, etc.	30	91,322,698	77,822,812
Stationery, printing, advertisement, etc.	31	120,401,969	92,685,612
Managing Director's salary and allowances	32	9,990,387	845,000
Directors' fees and other benefits	33	5,269,663	3,912,494
Auditors' fees	34	1,588,656	1,547,588
Charges on loan losses		30,332,050	9,647,081
Repairs, maintenance and depreciation	35	687,148,809	649,672,064
Other expenses	36	905,857,547	574,205,482
Total operating expenses		6,821,635,193	6,026,839,345
Profit before provision		8,989,409,961	10,397,679,229
Provision for loans and advances			
Specific provision	15.2(a)	2,040,000,000	1,457,000,000
General provision (Including off-balance sheet items)	15.2(b)	-	1,046,000,000
Provision for good borrowers	15.2(d)	-	-
		2,040,000,000	2,503,000,000
Provisions for other classified assets	15.4	-	-
Total provision		2,040,000,000	2,503,000,000
Total profit before taxes		6,949,409,961	7,894,679,229
Provision for taxation			
Current tax	15.1	3,163,864,604	3,228,571,806
Deferred tax	10.1.3	(71,132,887)	(132,175,307)
		3,092,731,717	3,096,396,499
Net profit after tax		3,856,678,244	4,798,282,730
Net profit after tax attributable to:			
Non-controlling interest		3,135	34,156
Equity holders of parent company		3,856,675,109	4,798,248,574
Net profit after taxation without non-controlling interests		3,856,675,109	4,798,248,574
Retained earnings brought forward from previous year		3,084,723,413	3,823,506,459
		6,941,398,522	8,621,755,033
Appropriations			
Statutory reserve	17	(1,435,835,612)	(1,552,574,580)
Transferred from general reserve (overseas operation)		-	18,405,000
Adjustment for prior year (overseas operation)		-	(14,237,228)
Dividend paid by overseas subsidiaries		-	(37,868,992)
Dividend			
Bonus shares 12% for 2017 and 20% for 2016		(2,844,544,190)	(3,950,755,820)
		(4,280,379,802)	(5,537,031,620)
Retained earnings carried forward		2,661,018,720	3,084,723,413
Earnings per share (EPS) restated	39	1.45	1.81

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


Managing Director


Director


Director'
Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka
April 30, 2019


Rahman Mostafa Alam & Co.
Chartered Accountants



National Bank Limited and Its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended December 31, 2018

Particulars	Paid-up Capital	Statutory Reserve	General Reserve	Other Reserve	Retained Earnings	Total	Non-controlling interest	Total equity
	Amount in BDT							
Balance on January 01, 2018	23,704,534,940	12,944,994,585	38,683,490	563,904,806	3,084,723,413	40,336,841,234	116,217	40,336,957,451
Net profit for the year	-	-	-	-	3,856,675,109	3,856,675,109	3,135	3,856,678,244
Bonus shares for 2017 issued during the year	2,844,544,190	-	-	-	(2,844,544,190)	-	-	-
Cash dividend paid by overseas subsidiaries	-	-	-	-	-	-	-	-
Transferred to statutory reserve	-	1,435,835,612	-	-	(1,435,835,612)	-	-	-
Revaluation of Government treasury bills, bonds and other investment	-	-	-	338,219,184	-	338,219,184	-	338,219,184
Addition during the year	-	-	-	-	-	-	-	-
Adjustment for prior year (overseas operation)	-	-	-	-	-	-	-	-
Transferred from general reserve (overseas oper.)	-	-	(9,214,712)	-	-	(9,214,712)	-	(9,214,712)
Balance at December 31, 2018	26,549,079,130	14,380,830,197	29,468,778	902,123,990	2,661,018,720	44,522,520,815	119,352	44,522,640,167
Balance at December 31, 2017	23,704,534,940	12,944,994,585	38,683,490	563,904,806	3,084,723,413	40,336,841,234	116,217	40,336,957,451

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

Managing Director

Director

Director

Chairman





National Bank Limited and Its Subsidiaries

Consolidated Cash Flow Statement
For the year ended December 31, 2018

Particulars	Note	Amount in BDT	
		2018	2017
A) Cash flows from operating activities			
Interest received		27,957,131,021	21,655,618,942
Interest paid		(19,868,682,961)	(15,348,261,622)
Income from Investment		5,221,959,629	7,190,676,779
Fees, commission, exchange and brokerage		1,590,896,866	1,819,572,790
Cash paid to employees		(3,841,134,993)	(3,879,638,832)
Cash paid to suppliers		(1,325,122,434)	(1,071,486,085)
Income taxes paid	15.1	(3,827,182,164)	(1,826,042,439)
Received from other operating activities		723,119,356	600,522,929
Paid for other operating activities		(905,851,204)	(574,205,122)
Operating profit before changes in operating assets and liabilities		5,725,133,116	8,566,757,340
Increase/(decrease) in operating assets and liabilities			
Sale of trading securities		836,870,663	6,524,050,272
Purchase of trading securities		(985,746,553)	(6,556,128,256)
Loans and advances to other banks		-	-
Loans and advances to customers		(64,084,003,129)	(37,252,599,311)
Other assets		(1,804,278,176)	(58,903,350)
Deposits from other banks		8,341,242,337	(395,775,712)
Deposits from customers		33,743,123,206	32,277,901,330
Other liabilities		161,237,864	121,755,518
		(23,791,553,788)	(5,339,699,509)
Net cash from/(used in) operating activities		(18,066,420,672)	3,227,057,831
B) Cash flows from investing activities			
Proceeds from sale of Government and unquoted securities		13,076,696,385	529,982,115,084
Investment made during the year (Govt. and unquoted securities)		(9,092,476,155)	(529,978,104,773)
Purchase of property, plant and equipment		(237,714,390)	(209,061,471)
Sale proceeds of fixed assets		642,428,925	1,811,246
Net cash from/(used in) investing activities		4,388,934,765	(203,239,914)
C) Cash flows from financing activities			
Borrowings from other banks, financial institutions and agents		3,656,869,234	2,096,937,067
Issued / (Redemption) of sub-ordinated bonds		1,250,000,000	1,726,000,000
Net cash from financing activities		4,906,869,234	3,822,937,067
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)		(8,770,616,673)	6,846,754,984
E) Effects of exchange rate changes on cash and cash equivalents		12,526,737	27,542,038
		(8,758,089,936)	6,874,297,022
F) Cash and cash equivalents at beginning of the year		34,364,818,203	27,490,521,181
G) Cash and cash equivalents at end of the year (D+E+F)		25,606,728,267	34,364,818,203
Cash and cash equivalents at end of the year			
Cash in hand (including foreign currencies)		3,290,281,287	3,432,689,173
Balances with Bangladesh Bank and its agent bank (s)		17,409,978,916	19,339,323,185
Balances with other banks and financial institutions		4,806,844,364	7,986,190,345
Money at call and on short notice		91,300,000	3,601,300,000
Prize bonds		8,323,700	5,315,500
		25,606,728,267	34,364,818,203

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


Managing Director


Director


Director


Chairman





National Bank Limited
Balance Sheet
As at December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
PROPERTY AND ASSETS			
Cash		20,656,674,512	22,628,888,704
In hand (including foreign currencies)	3	3,246,695,596	3,289,565,519
Balance with Bangladesh Bank and its agent bank (including foreign currencies)	4	17,409,978,916	19,339,323,185
Balance with other banks and financial institutions	5	4,525,414,965	7,446,025,979
In Bangladesh		3,775,745,848	6,944,956,722
Outside Bangladesh		749,669,117	501,069,257
Money at call and on short notice	6	91,300,000	3,601,300,000
Investments	7	57,869,853,468	60,338,451,526
Government		45,182,483,694	49,125,479,645
Others		12,687,369,774	11,212,971,881
Loans and advances	8	314,507,263,171	248,467,148,359
Loans, cash credits, overdrafts, etc.		306,861,227,874	241,718,727,352
Bills purchased and discounted		7,646,035,297	6,748,421,007
Fixed assets including premises, furniture and fixtures	9	2,445,155,936	2,882,032,808
Other assets	10	6,795,921,380	5,061,162,581
Non-banking assets	11	335,820,241	335,820,241
Total assets		407,227,403,673	350,760,830,198
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	8,869,136,774	5,212,267,540
Deposits and other accounts	13	315,206,033,967	272,771,315,415
Current deposit and other accounts		25,004,329,794	23,883,154,407
Bills payable		3,557,774,516	3,563,740,137
Savings bank deposits		47,036,369,863	44,672,378,291
Fixed deposits		140,200,871,603	123,752,106,294
Term deposit		99,406,688,191	76,899,936,286
Subordinated bonds	14	4,000,000,000	2,750,000,000
Other liabilities	15	34,342,879,865	29,656,424,305
Total liabilities		362,418,050,606	310,390,007,260
Shareholders' equity		44,809,353,067	40,370,822,938
Total shareholders' equity		44,809,353,067	40,370,822,938
Paid-up capital	16.2	26,549,079,130	23,704,534,940
Statutory reserve	17	14,380,830,197	12,944,994,585
Other reserve	19	902,123,990	563,904,806
Retained earnings	20	2,977,319,750	3,157,388,607
Total liabilities and shareholders' equity		407,227,403,673	350,760,830,198





National Bank Limited
Balance Sheet
As at December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
OFF-BALANCE SHEET ITEMS			
Contingent liabilities		51,869,443,826	56,558,702,285
Acceptances and endorsements		18,547,717,728	20,940,105,122
Letters of guarantee	21	9,369,024,272	10,893,558,984
Irrevocable letters of credit		17,745,352,737	18,987,834,721
Bills for collection		6,207,349,089	5,737,203,458
Other contingent liabilities		-	-
Other commitments		967,382,900	82,870,600
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		967,382,900	82,870,600
Other exchange contracts		-	-
Total off-balance sheet items including contingent liabilities		<u>52,836,826,726</u>	<u>56,641,572,885</u>

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

Managing Director

Director

Director

Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka
April 30, 2019

Rahman Mostafa Alam & Co.
Chartered Accountants

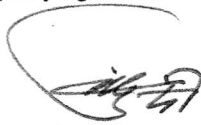




National Bank Limited
Profit and Loss Statement
For the year ended December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
Interest income	22	28,150,076,525	22,546,172,578
Less: Interest paid on deposits and borrowings, etc.	23	21,051,421,721	16,107,005,511
Net interest income		7,098,654,804	6,439,167,067
Investment income	24	6,074,561,857	7,469,850,778
Commission, exchange and brokerage	25	1,379,704,687	1,543,832,515
Other operating income	26	1,164,626,685	592,730,768
		8,618,893,229	9,606,414,061
Total operating income		15,717,548,033	16,045,581,128
Salaries and allowances	27	3,952,728,827	3,771,415,051
Rent, taxes, insurance, electricity, etc.	28	818,779,512	681,283,233
Legal expenses	29	50,207,993	19,348,996
Postage, stamp, telecommunication, etc.	30	86,440,317	73,006,561
Stationery, printing, advertisement, etc.	31	117,449,940	89,797,472
Managing Director's salary and allowances	32	9,990,387	845,000
Directors' fees and other benefits	33	3,205,073	3,824,294
Auditors' fees	34	575,000	500,000
Charges on loan losses		30,332,050	9,647,081
Repairs, maintenance and depreciation	35	664,179,793	631,587,587
Other expenses	36	764,481,083	498,452,951
		6,498,369,975	5,779,708,226
Total operating expenses		6,498,369,975	5,779,708,226
Profit before provision		9,219,178,058	10,265,872,902
Provision for loans and advances			
Specific provision	15.2(a)	2,040,000,000	1,457,000,000
General provision (including off-balance sheet items)	15.2(b)	-	1,046,000,000
Provision for good borrowers	15.2(d)	-	-
		2,040,000,000	2,503,000,000
Provision for other classified assets	15.4	-	-
Total provision		2,040,000,000	2,503,000,000
Total profit before tax		7,179,178,058	7,762,872,902
Provision for taxation			
Current tax	15.1	3,150,000,000	3,199,036,225
Deferred tax	10.1.3	(71,132,887)	(132,175,307)
		3,078,867,113	3,066,860,918
Net profit after tax		4,100,310,945	4,696,011,984
Retained earnings brought forward from previous year		3,157,388,607	3,964,707,023
		7,257,699,552	8,660,719,007
Appropriations			
Statutory reserve	17	(1,435,835,612)	(1,552,574,580)
Dividend			
Bonus shares 12% for 2017 and 20% for 2016		(2,844,544,190)	(3,950,755,820)
		(4,280,379,802)	(5,503,330,400)
Retained earnings carried forward		2,977,319,750	3,157,388,607
Earnings per share (EPS) restated	39	1.54	1.77

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


Managing Director


Director


Director


Chairman

Signed in terms of our separate report of even date.

Dated: Dhaka
April 30, 2019


Rahman Mostafa Alam & Co.
Chartered Accountants





National Bank Limited
Statement of Changes in Equity
For the year ended December 31, 2018

Particulars	Paid-up Capital	Statutory Reserve	Other Reserve	Retained Earnings	Total
	Amount in BDT				
Balance at on January 01, 2018	23,704,534,940	12,944,994,585	563,904,806	3,157,388,607	40,370,822,938
Net profit for the year	-	-	-	4,100,310,945	4,100,310,945
Bonus shares for 2017 issued during the year	2,844,544,190	-	-	(2,844,544,190)	-
Transferred to statutory reserve	-	1,435,835,612	-	(1,435,835,612)	-
Revaluation of Govt. Treasury bills, bonds and other investment	-	-	338,219,184	-	338,219,184
Balance at December 31, 2018	<u>26,549,079,130</u>	<u>14,380,830,197</u>	<u>902,123,990</u>	<u>2,977,319,750</u>	<u>44,809,353,067</u>
Balance at December 31, 2017	<u>23,704,534,940</u>	<u>12,944,994,585</u>	<u>563,904,806</u>	<u>3,157,388,607</u>	<u>40,370,822,938</u>

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


Managing Director


Director


Director


Chairman





National Bank Limited
Cash Flow Statement
For the year ended December 31, 2018

Particulars	Notes	Amount in BDT	
		2018	2017
A) Cash flows from operating activities			
Interest received		28,147,540,089	21,684,718,040
Interest paid		(19,868,682,961)	(15,348,797,951)
Income from investment		5,193,918,707	7,167,596,208
Fees, commission, exchange and brokerage		1,379,704,687	1,543,832,515
Cash paid to employees		(3,730,924,287)	(3,776,084,345)
Cash paid to suppliers		(1,254,463,042)	(1,003,154,356)
Income taxes paid	15.1	(3,827,182,164)	(1,826,042,439)
Received from other operating activities		713,597,266	591,502,023
Paid for other operating activities		(764,474,740)	(498,452,591)
Operating profit before changes in operating assets and liabilities		5,989,033,555	8,535,117,104
Increase/(decrease) in operating assets and liabilities			
Sale of trading securities-quoted shares		425,346,664	5,167,677,861
Purchase of trading securities-quoted shares		(813,615,638)	(4,801,850,190)
Loans and advances to other banks		-	-
Loans and advances to customers		(64,366,956,953)	(37,303,062,410)
Other assets	37	(1,661,010,940)	(331,788,822)
Deposits from other banks		8,341,242,337	(395,775,712)
Deposits from customers		34,093,476,215	31,837,214,265
Other liabilities	38	283,746,118	93,053,821
		(23,697,772,197)	(5,734,531,187)
Net cash from/(used in) operating activities		(17,708,738,642)	2,800,585,917
B) Cash flows from investing activities			
Proceeds from sale of Government and unquoted securities		13,076,696,385	529,982,115,084
Investment made during the year (Govt. and un-quoted securities)		(9,092,476,155)	(529,978,104,773)
Purchase of property, plant and equipment		(237,123,490)	(208,778,021)
Sale proceeds of fixed assets		642,428,925	1,811,246
Net cash from/(used in) investing activities		4,389,525,665	(202,956,464)
C) Cash flows from financing activities			
Borrowings from other banks, financial institutions and agents		3,656,869,234	2,151,924,954
Proceed from issue of sub-ordinated bond		1,250,000,000	1,726,000,000
Net cash from financing activities		4,906,869,234	3,877,924,954
D) Net increase/(decrease) in cash and cash equivalents (A+B+C)		(8,412,343,743)	6,475,554,407
E) Effects of exchange rate changes on cash and cash equivalents		12,526,737	27,542,038
		(8,399,817,006)	6,503,096,445
F) Cash and cash equivalents at beginning of the year		33,681,530,183	27,178,433,738
G) Cash and cash equivalents at end of the year (D+E+F)		25,281,713,177	33,681,530,183
Cash and cash equivalents at end of the year			
Cash in hand (including foreign currencies)		3,246,695,596	3,289,565,519
Balances with Bangladesh Bank and its agent bank (s)		17,409,978,916	19,339,323,185
Balances with other banks and financial institutions		4,525,414,965	7,446,025,979
Money at call and on short notice		91,300,000	3,601,300,000
Prize bonds		8,323,700	5,315,500
		25,281,713,177	33,681,530,183

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


Managing Director


Director


Director


Chairman





National Bank Limited
Liquidity Statement (Analysis of Maturity of Assets and Liabilities)
As at December 31, 2018

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
	Amount in BDT					
Assets						
Cash in hand	3,246,695,596	-	-	-	-	3,246,695,596
Balance with Bangladesh Bank and its agent bank	17,409,978,916	-	-	-	-	17,409,978,916
Balances with other banks and financial institutions	2,990,926,645	188,313,265	1,280,000,000	66,175,055	-	4,525,414,965
Money at call and short notice	91,300,000	-	-	-	-	91,300,000
Investments	118,637,710	2,616,952,679	1,367,143,463	22,381,055,935	31,386,063,681	57,869,853,468
Loans and advances	31,450,726,317	22,015,508,422	75,481,743,161	94,944,586,416	90,614,698,855	314,507,263,171
Fixed assets including premises, furniture and fixtures	12,666,016	25,332,031	114,291,573	504,616,953	1,788,249,363	2,445,155,936
Other assets	1,096,569,417	1,579,011,627	1,888,003,510	2,232,336,826	-	6,795,921,380
Non-banking assets	-	-	-	335,820,241	-	335,820,241
Total assets	56,417,500,617	26,425,118,024	80,131,181,707	120,464,591,426	123,789,011,899	407,227,403,673
Liabilities						
Borrowings from other banks, financial institutions and agents	4,584,387,975	1,682,647,552	2,602,101,247	-	-	8,869,136,774
Deposits and other accounts	43,950,529,907	44,666,140,329	100,485,263,349	96,041,585,276	30,062,515,106	315,206,033,967
Subordinated bond	-	-	-	2,400,000,000	1,600,000,000	4,000,000,000
Other liabilities	756,285,315	2,715,851,134	10,305,960,008	20,564,783,408	-	34,342,879,865
Total liabilities	49,291,203,197	49,064,639,015	113,393,324,605	119,006,368,684	31,662,515,106	362,418,050,606
Net liquidity gap	7,126,297,420	(22,639,520,990)	(33,262,142,898)	1,458,222,742	92,126,496,793	44,809,353,067

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

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

Managing Director

Director

Director

Chairman





National Bank Limited
Notes to the financial statements
For the year ended December 31, 2018

1. General information

1.1 Status of the Bank

National Bank Ltd (NBL / the Bank) is incorporated in Bangladesh as a public limited company on 15 March 1983 under the Companies Act 1913. It obtained license from Bangladesh Bank to carry out banking business on 22 March 1983. The Bank has been engaged in banking activities through its two hundred three (203) branches including sixteen (16) SME/Agri-branches throughout the country. The Bank is listed with both Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd.

1.2 Principal activities

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

1.3 Offshore Banking Unit (OBU)

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

1.4 Subsidiaries of the Bank

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

NBL Securities Ltd

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

NBL Capital and Equity Management Ltd

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

NBL Money Transfer Pte Ltd (Singapore)

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

NBL Money Transfer Sdn Bhd (Malaysia)

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





NBL Money Transfer (Maldives) Private Ltd

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

NBL Money Transfer Payment Foundation SA (Greece)

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

NBL Money Transfer Inc. (USA)

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

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

2.1 Statement of compliance

The consolidated financial statements of the Group and the financial statements of the bank have been prepared for the year ended 31 December 2018 in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Bangladesh Bank circulars, the Bank Companies Act 1991, the Companies Act 1994, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Rules 1987, Listing Regulations of Dhaka and Chittagong Stock Exchanges and Bangladesh Financial Reporting Interpretations (BFRI) as adopted by the Institute of Chartered Accountants of Bangladesh, and other applicable laws and regulations. In case any requirement of the Bank Companies Act 1991 and provisions and circulars issued by Bangladesh Bank (BB) differ those of IFRS, the requirements of the Bank Companies Act 1991, provisions and circulars issued by BB shall prevail. Material departure from the requirements of IFRS are as follows:

i) Presentation of financial statement

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

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

ii) Investment in shares, mutual funds and other securities

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

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

iii) Revaluation gains/losses on Government securities

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





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

HTM

Investments classified as HTM are non-derivative financial instruments with fixed or determinable future receipt on maturity that the Bank's management has the intention and ability to hold till maturity. These particular investments have been revalued as marked to market as at 31 December 2018, the revaluation gains on such securities have been shown in the financial statements as part of equity.

HFT

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

iv) Provision on loans and advances/investments

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

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

v) Recognition of interest in suspense

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

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

vi) Other comprehensive income (OCI):

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

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

vii) Financial instruments – presentation and disclosure

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

viii) Financial guarantees

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





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

ix) **Cash and cash equivalents**

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

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

x) **Non-banking asset**

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

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

xi) **Cash flow statement**

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

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

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

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

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

xiii) **Presentation of intangible asset**

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

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

xiv) **Off-balance sheet items**

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

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

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

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

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

2.2 **Basis of preparation of financial statements**

The financial statements of the Bank as at 31 December 2018 have been prepared on a going concern basis under the historical cost convention and in accordance with the "First Schedule" of the Bank Companies Act 1991 and as per BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, IFRS, IASs, the Companies Act 1994, Bangladesh Securities and Exchange Rules 1987, the listing Regulations of the Stock Exchanges and other laws and rules applicable in Bangladesh.

2.3 **Basis of consolidation**

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

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

The consolidated financial statements have been prepared in accordance with IAS-27: 'Separate Financial Statements' and IFRS-10: 'Consolidated Financial Statements.' The consolidated as well as separate financial statements are prepared for a common financial year ended on 31 December 2018.

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





2.4 Use of estimates and judgment

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

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

2.5 Functional and presentation currency

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

2.6 Assets and basis of their valuation

2.6.1 Loans and advances

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

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

2.6.2 Lease finance

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

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

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

2.6.3 Investments

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

a) Held to maturity

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

b) Held for trading

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

c) Sale and repurchase agreement

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

d) Revaluation

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

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





2.6.4 Fixed assets and depreciation

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

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

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

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

2.6.5 Non-banking assets

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

2.6.6 Other assets

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

2.7 Liabilities and provisions

2.7.1 Employees benefits

a) Short term benefits

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

b) Post-employment benefits

i) Defined contribution plan

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

Provident fund

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

ii) Defined benefit plans

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

Gratuity

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

Superannuation fund

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





c) Other benefits

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

2.7.2 Provision for liabilities

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

2.7.3 Provision for loans and advances

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

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

2.7.4 Provision against Off-balance sheet items

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

2.7.5 Provision for taxation

a) Current tax

Current tax is expected tax payable on taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment payable in respect of previous years. Provision for current income tax has been made @ 37.50% as prescribed in the Financial Act 2018 of the profit made by the Bank after considering major taxable allowances and disallowances.

b) Deferred tax

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

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

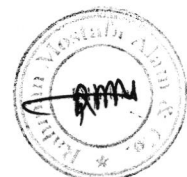
Deductible temporary differences are differences that will result in amounts that are deductible in determining taxable profit/ (loss) of future periods when the carrying amount of asset or liability is recovered or settled.

2.8 Off-balance sheet items

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

2.9 Revenue recognition

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





2.9.1 Interest income

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

2.9.2 Investment income

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

2.9.3 Fees and commission income

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

2.9.4 Dividend income on shares

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

2.9.5 Interest paid on borrowings and deposits

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

2.9.6 Management and other expenses

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

2.10 Shareholders' equity

Authorised capital

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

Paid-up capital

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

Statutory reserve

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

Non-controlling (minority) interest

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

2.11 Foreign currencies translation and balance with other banks

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





2.12 Risk management

2.12.1 Asset liability management

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

2.12.2 Money laundering risk management

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

2.12.3 Credit risk management

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

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

2.12.4 Foreign exchange risk management

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

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

2.12.5 Internal control and compliance management

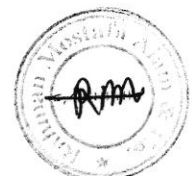
Operational loss may arise from error and fraud due to lack of internal control and compliance. Management, through Internal Control and Compliance Division controls operational procedure of the Bank. Internal Control and Compliance Division undertakes periodical and special audit of the branches and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

2.12.6 ICT Risk Management

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

2.13 Earnings per share (EPS)

EPS has been calculated in accordance with IAS-33: 'Earnings per Share,' which is shown on the face of the Profit and Loss Statement. This has been calculated by dividing the net profit after tax by the weighted average number of ordinary shares outstanding as on 31 December 2018.





2.14 Cash flow statement

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

2.15 Statement of changes in equity

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

2.16 Statement of liquidity

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

2.17 Reconciliation of inter-bank/books of accounts

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

2.18 Off-setting financial assets and financial liabilities

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

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

2.19 Subordinated bonds

Considering the regulatory, legal, present market condition and future capital requirement of the Bank, the NBL issued subordinated bonds valuing BDT 400 crore of which BDT 275 crore issued in 1st tranche and BDT 125 crore have been issued in 2nd tranche. This is eligible for Tier-II capital as per Basel III Guidelines of Bangladesh Bank. Details of terms conditions are as follows:

Issue size : BDT 400 crore
1st tranche issue : BDT 275 crore
2nd tranche issue : BDT 125 crore

Issue objectives : Raising of Tier -II capital to meet the requirement under Basel-III

Issue arranger : RSA Capital Limited

Nature of instrument : Un-secured, non-convertible, subordinated bond

Mode of placement : Private placement

Listing : Unlisted

Security : Unsecured

Rating status of the issue : A2

Redemption : Paid annually on prorata basis to bond holders in installment of 20% per year commencing at the third anniversary of the bonds from the date of issue.

Redemption value : At par

Tenure : 7 years

Coupon rate : Base rate +2.50 % margin

2.20 General

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





National Bank Ltd.
Notes to the financial statements
For the year ended December 31, 2018

	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
3. Cash				
3.1 In hand (including foreign currencies)				
Local currency	3,176,862,317	3,238,482,309	3,176,779,882	3,238,445,755
Foreign currencies	113,418,970	194,206,864	69,915,714	51,119,764
	3,290,281,287	3,432,689,173	3,246,695,596	3,289,565,519
4. Balance with Bangladesh Bank and its agent bank (including foreign currencies)				
Balance with Bangladesh Bank				
Local currency	15,557,644,864	18,474,656,534	15,557,644,864	18,474,656,534
Foreign currencies	722,153,139	66,413,268	722,153,139	66,413,268
	16,279,798,003	18,541,069,802	16,279,798,003	18,541,069,802
Balance with agent bank (Sonali Bank Ltd.)				
	1,130,180,913	798,253,383	1,130,180,913	798,253,383
	17,409,978,916	19,339,323,185	17,409,978,916	19,339,323,185

An amount of BDT 4,000,000 has been marked as lien with Bangladesh Bank upto 30 June 2019 against TT discounting facilities by various branches of NBL.

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

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

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

4.1.1 Cash Reserve Requirement (CRR)

	291,428,076,923	260,165,317,000	291,428,076,923	260,165,317,000
Average time and demand liabilities (excluding inter-bank deposits)				
Required reserve (5.50% on average time and demand liabilities 6.50% in 2017)	16,028,544,231	16,910,745,605	16,028,544,231	16,910,745,605
Actual reserve maintained	16,199,250,207	17,178,337,490	16,199,250,207	17,178,337,490
Surplus	170,705,976	267,591,885	170,705,976	267,591,885

4.1.2 Statutory Liquidity Ratio (SLR)

	291,428,076,923	260,165,317,000	291,428,076,923	260,165,317,000
Average time and demand liabilities (excluding inter-bank deposits)				
Required reserve (13% on average time and demand liabilities)	37,885,650,000	33,821,491,210	37,885,650,000	33,821,491,210
Actual reserve maintained (excluding CRR)	49,559,360,509	54,719,226,432	49,559,360,509	54,719,226,432
Surplus	11,673,710,509	20,897,735,223	11,673,710,509	20,897,735,223

4.1.3 Composition of SLR maintained*

Cash in hand	3,246,695,596	3,289,565,519	3,246,695,596	3,289,565,519
Balance with agent bank (Sonali Bank Ltd.)	1,130,180,913	798,253,383	1,130,180,913	798,253,383
Unencumbered approved securities (HTM, HFT and reverse REPO)	45,182,484,000	50,631,407,530	45,182,484,000	50,631,407,530
	49,559,360,509	54,719,226,432	49,559,360,509	54,719,226,432

* As per statement submitted to Bangladesh Bank

5. Balance with other banks and financial institutions

In Bangladesh - in local currencies (note 5.1)	3,879,714,515	7,263,894,546	3,775,745,848	6,944,956,722
Outside Bangladesh (note 5.2) (Annex - B)	927,129,849	722,295,799	749,669,117	501,069,257
	4,806,844,364	7,986,190,345	4,525,414,965	7,446,025,979

5.1 Inside Bangladesh

5.1.1 Current accounts

Agrani Bank Ltd.	72,920,587	55,623,556	72,920,587	55,623,556
Janata Bank Ltd.	90,632,617	141,888,764	90,632,617	141,888,764
Rupali Bank Ltd.	49,529	62,967	49,529	62,967
Standard Chartered Bank	3,340,846	6,139,502	3,340,846	6,139,502
Sonali Bank Ltd.	74,313,949	20,558,781	74,313,949	20,558,781
	241,257,528	224,273,570	241,257,528	224,273,570

5.1.2 Short-notice deposit accounts

Eastern Bank Ltd.	156,488	156,381	156,488	156,381
Janata Bank Ltd.	611,847	594,105	611,847	594,105
National Credit and Commercial Bank Ltd.	104,630	103,746	104,630	103,746
First Security Islami Bank Ltd.	83,504	81,778	83,504	81,778
Dhaka Bank Ltd.	196,333	191,138	196,333	191,138
Standard Chartered Bank	1,005,564	1,007,064	1,005,564	1,007,064
Trust Bank Ltd.	36,154,899	22,348,425	36,154,899	22,348,425
	38,313,265	24,482,637	38,313,265	24,482,637





Amount in BDT			
Group		Bank	
2018	2017	2018	2017

5.1.3 Fixed deposit accounts (in local currency)

ICB Islamic Bank Ltd.	66,175,055	66,200,515	66,175,055	66,200,515
NRB Global Bank Ltd.	1,500,000,000	1,500,000,000	1,500,000,000	1,500,000,000
Union Bank Ltd.	1,280,000,000	1,280,000,000	1,280,000,000	1,280,000,000
	2,846,175,055	2,846,200,515	2,846,175,055	2,846,200,515
Other financial institutions	650,000,000	3,850,000,000	650,000,000	3,850,000,000
	3,775,745,848	6,944,956,722	3,775,745,848	6,944,956,722
Bank balance of subsidiaries	103,968,667	318,937,824	-	-
	3,879,714,515	7,263,894,546	3,775,745,848	6,944,956,722

5.2 Outside Bangladesh

5.2.1 Fixed deposits accounts (interest bearing) :

JP Morgan Chase Bank, Singapore	45,222,100	44,575,300	45,222,100	44,575,300
Eastern Bank Ltd, OBU	83,900,000	-	83,900,000	-
Mercantile Bank Ltd, OBU	-	82,700,000	-	82,700,000
	129,122,100	127,275,300	129,122,100	127,275,300

In demand deposit accounts (non-interest bearing):

Standard Chartered Bank, Mumbai	84,909,107	6,515,040	84,909,107	6,515,040
Standard Chartered Bank, Frankfurt	1,790,891	1,348,606	1,790,891	1,348,606
Mashreq Bank, New York	32,980,217	30,957,597	32,980,217	30,957,597
JP Morgan Chase Bank, New York	18,680,724	169,455,524	18,680,724	169,455,524
Standard Chartered Bank, New York	72,583,151	20,477,719	72,583,151	20,477,719
Sonali Bank Ltd, Kolkata	36,457,468	18,170,672	36,457,468	18,170,672
Sonali Bank Ltd, London	-	3,476,707	-	3,476,707
Mashreq Bank, Mumbai	36,709,089	17,991,572	36,709,089	17,991,572
State Bank of India, Kolkata	513,642	506,295	513,642	506,295
United Bank, Karachi	2,618,975	2,581,516	2,618,975	2,581,516
NABIL Bank, Nepal	17,761,913	9,076,604	17,761,913	9,076,604
Standard Chartered Bank, Colombo	4,809,652	762,917	4,809,652	762,917
Myanmar Foreign Trade, Myanmar	11,566	11,400	11,566	11,400
AB Bank Ltd, Mumbai	99,262,230	11,653,646	99,262,230	11,653,646
Bank of Bhutan, Thimpu	24,299,548	888,176	24,299,548	888,176
ICICI Bank Ltd, Mumbai	3,209,869	3,163,959	3,209,869	3,163,959
HDFC Bank Ltd, India	43,063,214	10,701,224	43,063,214	10,701,224
Meezan Bank, Karchi	2,842,223	-	2,842,223	-
Commerz Bank, Frankfurt	744,795	3,763,342	744,795	3,763,342
Uni Credito Italiano SPA, Italy	-	44,319	-	44,319
Alpha Bank AE, Athens	19,115,102	19,801,269	19,115,102	19,801,269
BOT, Tokyo	73,160	68,879	73,160	68,879
Union Bank of Switzerland, Switzerland	558,957	373,010	558,957	373,010
Habib Bank AG, Zurich	194,068	190,382	194,068	190,382
Habib American Bank, New York	66,444,461	17,322,904	66,444,461	17,322,904
Standard Chartered Bank, Singapore	110,703	973,182	110,703	973,182
Citibank N.A, New York	50,802,292	23,517,496	50,802,292	23,517,496
	620,547,017	373,793,957	620,547,017	373,793,957
Bank Balance of subsidiaries	177,460,732	221,226,542	-	-
	798,007,749	595,020,499	620,547,017	373,793,957
	927,129,849	722,295,799	749,669,117	501,069,257

Details are shown in Annex B.

5.3 Maturity grouping of balance with other banks and financial institutions

On demand	1,143,233,944	1,138,231,893	861,804,545	598,067,527
Up to 1 month	2,129,122,100	2,382,700,000	2,129,122,100	2,382,700,000
More than 1 month but not more than 3 months	188,313,265	3,074,482,637	188,313,265	3,074,482,637
More than 3 months but not more than 1 year	1,280,000,000	1,324,575,300	1,280,000,000	1,324,575,300
More than 1 year but not more than 5 years	66,175,055	66,200,515	66,175,055	66,200,515
More than 5 years	-	-	-	-
	4,806,844,364	7,986,190,345	4,525,414,965	7,446,025,979

6. Money at call and on short notice

Call money

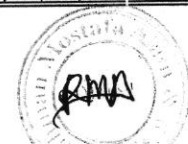
With banking companies (note 6.1)	91,300,000	3,601,300,000	91,300,000	3,601,300,000
With non-banking financial institutions	-	-	-	-
	91,300,000	3,601,300,000	91,300,000	3,601,300,000

6.1 Call Money - with banking companies

ICB Islamic Bank Ltd.	91,300,000	91,300,000	91,300,000	91,300,000
Pubali Bank Ltd.	-	610,000,000	-	610,000,000
National Credit & Commerce Bank Ltd.	-	200,000,000	-	200,000,000
BRAC Bank Ltd.	-	1,200,000,000	-	1,200,000,000
	91,300,000	2,101,300,000	91,300,000	2,101,300,000
With Financial Institutions	-	1,500,000,000	-	1,500,000,000
	91,300,000	3,601,300,000	91,300,000	3,601,300,000

7. Investments

Government (note 7.1)	45,182,483,694	49,125,479,645	45,182,483,694	49,125,479,645
Others (note 7.2)	9,453,489,089	8,300,002,998	12,687,369,774	11,212,971,881
	54,635,972,783	57,425,482,643	57,869,853,468	60,338,451,526





7.1 Government

Treasury bonds (note 7.1.1)
Prize bonds

Amount in BDT			
Group		Bank	
2018	2017	2018	2017
45,174,159,994	49,120,164,145	45,174,159,994	49,120,164,145
8,323,700	5,315,500	8,323,700	5,315,500
45,182,483,694	49,125,479,645	45,182,483,694	49,125,479,645

7.1.1 Treasury bonds

2 years Bangladesh Government treasury bonds
5 years Bangladesh Government treasury bonds
10 years Bangladesh Government treasury bonds
15 years Bangladesh Government treasury bonds
20 years Bangladesh Government treasury bonds

-	600,176,400	-	600,176,400
367,517,083	3,895,438,278	367,517,083	3,895,438,278
22,149,068,037	26,667,371,284	22,149,068,037	26,667,371,284
10,203,513,041	10,133,389,281	10,203,513,041	10,133,389,281
12,454,061,833	7,823,788,902	12,454,061,833	7,823,788,902
45,174,159,994	49,120,164,145	45,174,159,994	49,120,164,145

7.2 Others

Share (quoted and unquoted) (note 7.2.1)
Subordinated bond
Fixed capital investment in Myanmar (note 7.2.2)

7,999,294,089	7,895,867,998	11,233,174,774	10,808,836,881
1,450,000,000	400,000,000	1,450,000,000	400,000,000
4,195,000	4,135,000	4,195,000	4,135,000
9,453,489,089	8,300,002,998	12,687,369,774	11,212,971,881

7.2.1 In ordinary shares (quoted and unquoted)

Quoted

Banking Companies
Non-Bank Financial Institutions
Insurance companies
Fuel & Power
Mutual Fund
Telecommunication companies
Textiles
Cement Industry
Engineering Companies
Paper & Printing
Pharmaceuticals & Chemicals
Travel & Leisure
Information Technology
Tannery Industry
Miscellaneous

5,277,612,616	5,136,994,434	5,277,612,616	5,136,994,434
562,218,383	355,200,882	562,218,383	355,200,882
124,165,598	115,437,485	124,165,598	115,437,485
251,534,197	327,059,835	251,534,197	327,059,835
38,731,654	39,726,692	38,731,654	39,726,692
1,438,301	16,218,412	1,438,301	16,218,412
23,636,583	12,942,297	23,636,583	12,942,297
16,074,372	9,537,862	16,074,372	9,537,862
66,761,894	22,916,223	66,761,894	22,916,223
2,896,516	3,458,080	2,896,516	3,458,080
135,953,578	39,139,611	135,953,578	39,139,611
39,747,599	39,747,599	39,747,599	39,747,599
21,524,469	27,711,617	21,524,469	27,711,617
24,132,893	14,652,786	24,132,893	14,652,786
32,411,947	32,361,527	32,411,947	32,361,527
6,618,840,600	6,193,105,342	6,618,840,600	6,193,105,342

Investment made by subsidiary

662,778,854	857,536,718	-	-
7,281,619,454	7,050,642,060	6,618,840,600	6,193,105,342

Un-quoted

Karma Sangsthan Bank Ltd.
Gulf Overseas Exchange LLC, Oman
Central Depository (Bangladesh) Ltd.
Industrial & Infrastructure Development Fin. Co. Ltd.
Society for Worldwide Inter Bank Financial
Telecommunication (SWIFT)
NBL Securities Ltd.
NBL Capital & Equity Management Ltd.
NBL Money TRN SDN BHD Malaysia
NBL Money Transfer Pte. Ltd.
NBL Money Transfer (Maldives) PVT. Ltd.
NBL Money Transfer Inc., USA
NBL Money Trans. Payment Foundation SA Greece
Bangladesh Rating Agency Ltd.
Lanka Bangla Securities Ltd.
BD Venture Ltd.
Membership with DSE & CSE
MSF Asset Management

90,000,000	90,000,000	90,000,000	90,000,000
27,176,250	26,864,600	27,176,250	26,864,600
6,277,770	6,277,770	6,277,770	6,277,770
33,483,820	33,483,820	33,483,820	33,483,820
5,822,846	7,435,799	5,822,846	7,435,799
-	-	3,999,940,000	3,999,940,000
-	-	249,865,000	249,865,000
-	-	20,095,800	20,304,400
-	-	18,332,130	18,516,300
-	-	16,780,000	16,540,000
-	-	80,544,000	79,392,000
-	-	34,852,609	35,947,901
4,165,900	4,165,900	4,165,900	4,165,900
4,998,049	4,998,049	4,998,049	4,998,049
20,000,000	20,000,000	20,000,000	20,000,000
523,750,000	650,000,000	-	-
2,000,000	2,000,000	2,000,000	2,000,000

717,674,635	845,225,938	4,614,334,174	4,615,731,539
7,999,294,089	7,895,867,998	11,233,174,774	10,808,836,881

Market value of the investments in quoted shares

5,172,973,677	6,207,037,298
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Amount in BDT			
Group		Bank	
2018	2017	2018	2017

7.2.2 Fixed capital investment in Myanmar

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

7.3 Maturity wise grouping on investments

On demand	-	-	-	-
Up to 1 month	118,637,710	108,533,922	118,637,710	108,533,922
Over 1 month but not more than 3 months	2,616,952,679	714,605,760	2,616,952,679	714,605,760
Over 3 months but not more than 1 year	1,367,143,463	4,652,955,578	1,367,143,463	4,652,955,578
Over 1 year but not more than 5 years	22,381,055,935	22,162,793,778	22,381,055,935	22,162,793,778
Over 5 years	28,152,182,996	29,786,593,605	31,386,063,681	32,699,562,488
	54,635,972,783	57,425,482,643	57,869,853,468	60,338,451,526

8. Loans and advances

Loans, cash credits, overdrafts, etc (note 8.1)	309,746,999,284	244,773,548,842	306,861,227,874	241,718,727,352
Bills purchased and discounted (note 8.2)	7,646,035,297	6,748,421,007	7,646,035,297	6,748,421,007
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359

8.1 Loans, cash credits, overdrafts, etc

In Bangladesh

Secured overdrafts	6,921,239,432	5,637,632,781	6,921,239,432	5,637,632,781
Cash credit	60,579,985,928	56,974,636,224	60,579,985,928	56,974,636,224
Over draft	91,933,497,194	54,278,182,904	91,933,497,194	54,278,182,904
Loans (general)	117,561,960,979	94,951,485,118	119,868,062,637	97,164,647,189
House building loans	15,376,663,289	14,432,736,207	15,376,663,289	14,432,736,207
Lease finance	140,862,665	161,813,980	140,862,665	161,813,980
Loan against trust receipts	4,690,864,193	5,467,587,305	4,690,864,193	5,467,587,305
Payment against documents	335,363,582	901,735,247	335,363,582	901,735,247
Credit card	1,382,833,867	1,287,012,872	1,382,833,867	1,287,012,872
Margin loan	5,191,873,068	5,267,983,561	-	-
other loans and advances	5,631,855,087	5,412,742,643	5,631,855,087	5,412,742,643
	309,746,999,284	244,773,548,842	306,861,227,874	241,718,727,352

Outside Bangladesh

	309,746,999,284	244,773,548,842	306,861,227,874	241,718,727,352
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8.2 Bills purchased and discounted

In Bangladesh

Local bills purchased and discounted	1,513,089,073	1,264,532,300	1,513,089,073	1,264,532,300
Foreign bills/documents purchased and discounted	6,132,946,224	5,483,888,707	6,132,946,224	5,483,888,707
	7,646,035,297	6,748,421,007	7,646,035,297	6,748,421,007

Outside Bangladesh

	7,646,035,297	6,748,421,007	7,646,035,297	6,748,421,007
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359

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

On demand	11,007,754,211	11,181,021,676	11,007,754,211	11,181,021,676
Up to 1 month	20,442,972,106	24,846,714,836	20,442,972,106	29,816,057,803
More than 1 month but not more than 3 months	22,015,508,422	42,239,415,221	22,015,508,422	3,478,540,077
More than 3 months but not more than 1 year	75,481,743,161	59,632,115,606	75,481,743,161	59,632,115,606
More than 1 year but not more than 5 years	94,944,586,416	75,008,158,479	94,944,586,416	75,008,158,479
More than 5 years	93,500,470,265	38,614,544,031	90,614,698,855	69,351,254,718
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359

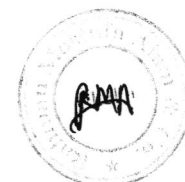
8.4 Loans and advances including bills purchased and discounted classified into

In Bangladesh:

Loans	157,233,516,162	133,520,729,714	154,347,744,752	124,828,275,443
Cash credits	60,579,985,928	56,974,636,224	60,579,985,928	56,974,636,224
Overdrafts	91,933,497,194	54,278,182,904	91,933,497,194	54,278,182,904
Bills purchased and discounted	7,646,035,297	6,748,421,007	7,646,035,297	6,748,421,007
	317,393,034,581	251,521,969,849	314,507,263,171	242,829,515,578

Outside Bangladesh

	317,393,034,581	251,521,969,849	314,507,263,171	242,829,515,578
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Amount in BDT			
Group		Bank	
2018	2017	2018	2017

8.5 Loans and advances on the basis of significant concentration

8.5.1 Loans and advances to directors, executives and others

Advances to directors and their allied concerns	124,924,624	207,348,352	124,924,624	207,348,352
Advances to CEO, senior executives and other staffs	2,079,282,137	1,543,044,000	2,079,282,137	1,543,044,000
Advances to customers (groupwise)	124,825,291,154	79,144,393,162	124,825,291,154	79,144,393,162
Industrial advances	51,018,222,003	75,646,144,307	51,018,222,003	75,646,144,307
Other customers	139,345,314,663	94,981,040,028	136,459,543,253	91,926,218,538
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359

8.5.2 Loans and advances allowed to each customer exceeding 10% of Bank's total capital

Total loans and advances (funded and non-funded)*			14,888,860,000	12,068,060,000
No. of customers			23	20
Classified amount thereon			-	-
Measures taken for recovery of classified loans			N/A	N/A

*The amount represents the sum of total loans and advances to each customer exceeding 10% of total capital of the Bank (i.e. BDT 511.44 crore being 10% of total capital of BDT 5,114.44 crore) as at December 31, 2018.

Details are shown in Annex C.

8.5.3 Industry wise concentration of loans and advances (Including bills purchased and discounted)

Agriculture	3,964,241,256	3,494,220,959	3,964,241,256	3,494,220,959
Term loan to small cottage industries	4,774,588,800	3,463,132,295	4,774,588,800	3,463,132,295
Term loan to large and medium industries	78,154,264,424	71,897,493,766	78,154,264,424	71,897,493,766
Working capital to industries	71,155,000,988	39,506,513,429	71,155,000,988	39,506,513,429
Export credit	8,905,314,277	8,343,174,949	8,905,314,277	8,343,174,949
Trade finance	76,196,182,444	49,420,306,068	76,196,182,444	49,420,306,068
Consumer credit	1,955,164,326	1,500,348,563	1,955,164,326	1,500,348,563
Credit cards	1,382,833,866	1,287,012,872	1,382,833,866	1,287,012,872
Others	70,905,444,200	72,609,766,948	68,019,672,790	69,554,945,458
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359

8.5.4 Geographical location-wise grouping

In Bangladesh

Dhaka Division	197,110,229,214	150,533,282,699	194,224,457,804	147,478,461,209
Chattagram Division	90,162,304,297	72,421,088,240	90,162,304,297	72,421,088,240
Khulna Division	6,148,108,195	5,779,190,449	6,148,108,195	5,779,190,449
Sylhet Division	1,367,881,268	1,271,929,773	1,367,881,268	1,271,929,773
Rangpur Division	4,018,230,545	3,609,228,480	4,018,230,545	3,609,228,480
Barisal Division	1,929,351,278	2,024,392,957	1,929,351,278	2,024,392,957
Rajshahi Division	12,679,528,668	12,051,158,378	12,679,528,668	12,051,158,378
Mymensingh Division	3,977,401,116	3,831,698,873	3,977,401,116	3,831,698,873
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359

Outside Bangladesh

	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359
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8.6 Grouping as per classification rules

Unclassified:

Standard	253,614,868,581	202,282,615,849	250,729,097,171	199,227,794,359
Special mentioned account	33,896,704,000	22,791,028,000	33,896,704,000	22,791,028,000
	287,511,572,581	225,073,643,849	284,625,801,171	222,018,822,359

Classified:

Sub-standard	1,005,912,000	213,651,000	1,005,912,000	213,651,000
Doubtful	1,010,971,000	4,482,503,000	1,010,971,000	4,482,503,000
Bad/loss	27,864,579,000	21,752,172,000	27,864,579,000	21,752,172,000
	29,881,462,000	26,448,326,000	29,881,462,000	26,448,326,000

Total

	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359
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8.7 Particulars of loans and advances

i) Loans considered good in respect of which the Bank is fully secured	267,409,353,835	200,534,565,980	264,523,582,425	197,479,744,490
ii) Loans considered good against which the Bank holds no security other than the debtors' personal guarantee	28,225,403,441	20,066,815,986	28,225,403,441	20,066,815,986
iii) Loans considered good secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors	21,758,277,305	30,920,587,883	21,758,277,305	30,920,587,883
iv) Loans adversely classified; provision not maintained there	-	-	-	-
	317,393,034,581	251,521,969,849	314,507,263,171	248,467,148,359





	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
v) Loans due by directors or officers of the Bank or any of them either separately or jointly with any other persons.	2,204,206,761	1,750,392,352	2,204,206,761	1,750,392,352
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.	124,924,624	207,348,352	124,924,624	207,348,352
vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the bank or any of them either separately or jointly with any other person.	2,204,206,761	1,750,392,352	2,204,206,761	1,750,392,352
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.	124,924,624	207,348,352	124,924,624	207,348,352
ix) Due from banking companies	-	-	-	-
x) Information in respect of classified loans advances				
a) Classified loans for which interest is not credited to income	29,881,462,000	26,448,326,000	29,881,462,000	26,448,326,000
b) Provision kept against classified loans and	9,665,484,795	6,892,351,864	9,665,484,795	6,892,351,864
c) Interest credited to interest suspense account (note 15.3)	11,493,141,527	9,830,085,612	11,493,141,527	9,830,085,612
xi) Cumulative amount of written-off loans:				
Opening balance	17,664,772,000	18,030,987,000	17,664,772,000	18,030,987,000
Amount written-off during the year	-	-	-	-
Amount recovered / provision realeased During the year against written-off loans	(371,168,000)	(321,753,000)	(371,168,000)	(321,753,000)
Waiver for final settlement	(32,130,000)	(44,462,000)	(32,130,000)	(44,462,000)
Balance of written-off loans and advances	17,261,474,000	17,664,772,000	17,261,474,000	17,664,772,000
The amount of classified and written-off loans for which law suits have been filed	66,569,049,000	46,434,140,000	66,569,049,000	46,434,140,000
8.8 Bills purchased and discounted (Maturity wise grouping of bills purchased and discounted)				
Payable within 1 month	1,274,339,216	1,124,736,835	1,274,339,216	1,124,736,835
More than 1 month but less than 3 months	2,548,678,432	2,249,473,670	2,548,678,432	2,249,473,670
More than 3 months but less than 6 months	3,823,017,649	3,374,210,502	3,823,017,649	3,374,210,502
More than 6 months	-	-	-	-
	7,646,035,297	6,748,421,007	7,646,035,297	6,748,421,007
9. Fixed assets including premises, furniture and fixtures				
Cost / Revaluation:				
Land	693,216,752	669,006,896	693,216,752	669,006,896
Building	1,276,289,796	1,463,692,042	1,276,289,796	1,463,692,042
Furniture and fixtures	1,058,061,009	999,397,726	1,058,061,009	999,397,726
General equipments	1,069,991,620	1,027,183,538	1,069,991,620	1,027,183,538
Computer and accessories	1,438,513,270	1,399,041,778	1,438,513,270	1,399,041,778
Vehicles	276,527,284	267,823,419	276,527,284	267,823,419
Books	1,939,204	1,482,691	1,939,204	1,482,691
	5,814,538,935	5,827,628,090	5,814,538,935	5,827,628,090
Less: Accumulated depreciation	3,369,382,999	2,945,595,282	3,369,382,999	2,945,595,282
Written down value at the end of the year	2,445,155,936	2,882,032,808	2,445,155,936	2,882,032,808
Subsidiary companies balance	28,043,945	34,609,331	-	-
	2,473,199,881	2,916,642,139	2,445,155,936	2,882,032,808
Details are shown in Annex A.				
10. Other assets				
Income generating	-	-	-	-
Non-income generating (note 10.1)	6,639,118,130	4,761,092,095	6,795,921,380	5,061,162,581
	6,639,118,130	4,761,092,095	6,795,921,380	5,061,162,581





	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
10.1 Non-income generating other assets				
Stock of stationery	30,407,234	32,690,257	30,407,234	32,690,257
Stamps in hand	4,538,408	3,948,690	4,538,408	3,948,690
Suspense account (note 10.1.1)	553,130,266	499,333,255	553,130,266	499,333,255
Advance and deposits	5,496,704	5,354,197	5,496,704	5,354,197
Interest and other receivables	1,490,708,440	1,488,093,468	1,490,708,440	1,488,093,468
Sundry assets (note 10.1.2)	221,425,658	253,478,248	221,425,658	253,478,248
Demand draft paid without advice	5,317,404	5,310,433	5,317,404	5,310,433
Bill purchased account - credit card	351,856,062	318,846,560	351,856,062	318,846,560
Deferred tax asset/liabilities(note 10.1.3)	138,541,514	67,408,627	139,545,393	68,412,506
Inter-branch adjustment account (net) (note 10.1.4)	1,419,068,487	206,802,382	1,419,068,487	206,802,382
Payment made against claim made by EBL for guarantee issued by BCCI	-	13,683,225	-	13,683,225
Advance against cash assistance	10,166,298	3,795,598	10,166,298	3,795,598
Advance against branches*	16,573,731	15,356,321	16,573,731	15,356,321
Advance against NBL Towers	1,690,624,000	1,280,874,000	1,690,624,000	1,280,874,000
Advance against fixed assets	541,712,826	541,709,826	541,712,826	541,709,826
Others	159,551,098	24,407,008	315,350,469	323,473,615
	6,639,118,130	4,761,092,095	6,795,921,380	5,061,162,581

* The amount represents advance against new branches and for existing branches repair, renovation and maintenance.

10.1.1 Suspense account

Sundry debtors	171,008,490	185,090,468	171,008,490	185,090,468
Advance against TA/DA	424,283	292,010	424,283	292,010
Advance against postage	7,866	16,379	7,866	16,379
Encashment of PSP/ BSP	148,217,568	126,079,703	148,217,568	126,079,703
Encashment of wage earners development bond	233,472,059	187,854,695	233,472,059	187,854,695
	553,130,266	499,333,255	553,130,266	499,333,255

10.1.2 Sundry assets

Cash remittance	20,000,000	18,500,000	20,000,000	18,500,000
Advance rent	178,183,241	203,313,999	178,183,241	203,313,999
Clearing adjustment account	127,066	2,077,036	127,066	2,077,036
Protested bill	18,922,887	15,398,887	18,922,887	15,398,887
Unexpired insurance premium	4,192,464	14,188,326	4,192,464	14,188,326
	221,425,658	253,478,248	221,425,658	253,478,248

10.1.3 Deferred tax assets/(liabilities)

Deferred tax assets:

Opening balance	276,129,636	126,334,359	275,811,962	126,016,685
Add: Addition during the year	66,957,385	149,795,277	66,957,385	149,795,277
Closing balance	343,087,021	276,129,636	342,769,347	275,811,962

Deferred tax liabilities:

Opening balance	208,721,009	191,101,039	207,399,456	189,779,486
Add: Addition/adjustment during the year	(4,175,502)	17,619,970	(4,175,502)	17,619,970
Closing balance	204,545,507	208,721,009	203,223,954	207,399,456
Net deferred tax (assets)/liabilities	138,541,514	67,408,627	139,545,393	68,412,506
Deferred tax charge/(credit)	(71,132,887)	(132,175,307)	(71,132,887)	(132,175,307)

10.1.4 Inter-branch adjustment account

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

11. Non-banking Assets

	335,820,241	335,820,241	335,820,241	335,820,241
	335,820,241	335,820,241	335,820,241	335,820,241

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

SI no. Branches

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



	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
12. Borrowings from other banks, financial institutions and agents				
In Bangladesh (note 12.1.1)	8,649,906,493	3,894,935,105	8,649,906,493	3,894,935,105
Outside Bangladesh (note 12.1.2)	219,230,281	1,317,332,435	219,230,281	1,317,332,435
	8,869,136,774	5,212,267,540	8,869,136,774	5,212,267,540
12.1.1 In Bangladesh				
Export Development Fund (EDF)	2,256,452,671	2,479,723,062	2,256,452,671	2,479,723,062
Agricultural credit on special program	1,972,655,697	689,656,489	1,972,655,697	689,656,489
Bangladesh Bank	798,125	-	798,125	-
IFIC Bank Limited	600,000,000	-	600,000,000	-
Mutual Trust Bank Ltd.	120,000,000	-	120,000,000	-
Rupali Bank Ltd.	490,000,000	-	490,000,000	-
Sonali Bank Ltd.	1,990,000,000	-	1,990,000,000	-
Southeast Bank Ltd.	700,000,000	-	700,000,000	-
State Bank of India	120,000,000	-	120,000,000	-
Janata Bank Ltd.	400,000,000	700,000,000	400,000,000	700,000,000
ADB loan	-	25,555,554	-	25,555,554
	8,649,906,493	3,894,935,105	8,649,906,493	3,894,935,105
12.1.2 Outside Bangladesh				
Emirates NBD	-	432,442,435	-	432,442,435
Emirates Islami Bank	219,230,281	884,890,000	219,230,281	884,890,000
	219,230,281	1,317,332,435	219,230,281	1,317,332,435
	8,869,136,774	5,212,267,540	8,869,136,774	5,212,267,540
12.2 Security wise breakup of borrowing from other banks, financial institutions and agents				
Secured borrowings	-	-	-	-
Unsecured borrowings	8,869,136,774	5,212,267,540	8,869,136,774	5,212,267,540
	8,869,136,774	5,212,267,540	8,869,136,774	5,212,267,540
12.3 Maturity-wise grouping of borrowings				
Repayable				
On demand	4,420,000,000	700,000,000	4,420,000,000	700,000,000
Up to 1 month	164,387,975	57,471,374	164,387,975	57,471,374
More than 1 month but within 3 months	1,682,647,552	547,385,183	1,682,647,552	2,035,219,020
More than 3 months but within 1 year	2,602,101,247	3,907,410,983	2,602,101,247	2,419,577,146
More than 1 year but within 5 years	-	-	-	-
More than 5 years	-	-	-	-
	8,869,136,774	5,212,267,540	8,869,136,774	5,212,267,540
13. Deposits and other accounts (note 13.1)				
Current deposit and other accounts (note 13.2)	25,003,225,512	23,882,039,031	25,004,329,794	23,883,154,407
Bills payable (note 13.3)	3,557,774,516	3,563,740,137	3,557,774,516	3,563,740,137
Savings deposit	47,036,369,863	44,672,378,291	47,036,369,863	44,672,378,291
Fixed deposit	140,200,871,603	123,752,106,294	140,200,871,603	123,752,106,294
Term deposit (note 13.4)	98,888,216,365	76,731,828,563	99,406,688,191	76,899,936,286
	314,686,457,859	272,602,092,316	315,206,033,967	272,771,315,415
The Bank Management advised to various branches to take necessary steps for depositing the amount of unclaimed deposits through head office following the Bangladesh Bank guidelines.				
13.1 Deposit and other account				
Deposit from banks (in Bangladesh) (note 13.1.1)	19,939,040,726	11,597,798,389	19,939,040,726	11,597,798,389
Other than bank	294,747,417,133	261,004,293,927	295,266,993,241	261,173,517,026
	314,686,457,859	272,602,092,316	315,206,033,967	272,771,315,415
13.1.1 Deposit from banks (in Bangladesh)				
A. In current account				
AB Bank Limited	3,237	4,388	3,237	4,388
Al-Arafah Islami Bank Ltd.	2,585,120	1,302,420	2,585,120	1,302,420
BRAC Bank Ltd.	5,780,324	7,294,278	5,780,324	7,294,278
Bangladesh Krishi Bank Ltd.	1,767,717	808,317	1,767,717	808,317
Dutch Bangla Bank Ltd.	-	17,769	-	17,769
Islami Bank Bangladesh Ltd.	5,699,176	2,140,181	5,699,176	2,140,181
Jamuna Bank Ltd.	11,416,986	8,297,537	11,416,986	8,297,537
Mercantile Bank Ltd.	227,516	35,242,507	227,516	35,242,507
Prime Bank Ltd.	42,755	43,905	42,755	43,905
Bangladesh Development Bank Ltd.	2,047,750	802,030	2,047,750	802,030
Rajshahi Krishi Unnayan Bank	1,265,829	9,231	1,265,829	9,231
Shahjalal Islami Bank Ltd.	5,479	6,629	5,479	6,629
Southeast Bank Ltd.	59,408	11,513,263	59,408	11,513,263
EXIM Bank Ltd.	3,212	6,349	3,212	6,349
	30,904,509	67,488,804	30,904,509	67,488,804





	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
B. In short notice deposit accounts				
Bank Asia Ltd.	-	827,800	-	827,800
BRAC Bank Ltd.	8,005,615	8,755,961	8,005,615	8,755,961
Dhaka Bank Ltd.	5,862,584	3,643,371	5,862,584	3,643,371
Dutch-Bangla Bank Ltd.	10,884,200	5,974,483	10,884,200	5,974,483
EXIM Bank Ltd.	18,985,812	709,656	18,985,812	709,656
Jamuna Bank Ltd.	7,939,030	2,017,251	7,939,030	2,017,251
Janata Bank Ltd.	35,468	35,273	35,468	35,273
Mercantile Bank Ltd.	1,034,433	3,028,899	1,034,433	3,028,899
Pubali Bank Ltd.	648,382	625,939	648,382	625,939
Rajshahi Krishi Unnayan Bank	358,223,324	276,733,333	358,223,324	276,733,333
Standard Chartered Bank	-	3,036,296	-	3,036,296
Souteast Bank Ltd.	-	6,422	-	6,422
The Premier Bank Ltd.	261,476	1,436,986	261,476	1,436,986
	411,880,324	306,831,670	411,880,324	306,831,670
C. Term deposit accounts				
Rajshahi Krishi Unnayan Bank	2,416,255,893	1,723,477,915	2,416,255,893	1,723,477,915
Agrani Bank Ltd.	4,000,000,000	2,000,000,000	4,000,000,000	2,000,000,000
Bank Asia Ltd.	1,600,000,000	1,000,000,000	1,600,000,000	1,000,000,000
Commercial Bank of Ceylon Plc	280,000,000	-	280,000,000	-
National Credit & Commerce Bank Ltd.	200,000,000	-	200,000,000	-
Janata Bank Ltd.	1,500,000,000	500,000,000	1,500,000,000	500,000,000
Uttara Bank Ltd.	3,000,000,000	1,000,000,000	3,000,000,000	1,000,000,000
Pubali Bank Ltd.	-	1,000,000,000	-	1,000,000,000
Bangladesh Development Bank Ltd.	300,000,000	-	300,000,000	-
Southeast Bank Ltd.	-	500,000,000	-	500,000,000
Rupali Bank Ltd.	2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Dutch Bangla Bank Ltd.	-	1,000,000,000	-	1,000,000,000
BASIC Bank Ltd.	-	500,000,000	-	500,000,000
Sonali Bank Ltd.	4,200,000,000	-	4,200,000,000	-
	19,496,255,893	11,223,477,915	19,496,255,893	11,223,477,915
Total (A+B+C)	19,939,040,726	11,597,798,389	19,939,040,726	11,597,798,389
13.1.2 Maturity-wise grouping				
Deposits from banks				
Repayable				
On demand	30,904,508	67,488,804	30,904,508	67,488,804
Up to 1 month	8,304,776,065	7,761,366,334	8,304,776,065	7,761,366,334
Over 1 month but within 6 months	6,938,752,130	3,646,210,583	6,938,752,130	3,646,210,583
Over 6 months but within 1 year	4,664,608,023	122,732,668	4,664,608,023	122,732,668
Over 1 year but within 5 years	-	-	-	-
Over 5 years but within 10 years	-	-	-	-
	19,939,040,726	11,597,798,389	19,939,040,726	11,597,798,389
From others payable				
Repayable				
On demand	20,316,186,948	19,711,339,775	20,316,186,948	19,892,361,141
Up to 1 month	15,298,662,386	15,459,950,720	15,298,662,386	15,440,187,674
Over 1 month but within 6 months	62,878,980,331	62,656,318,463	62,878,980,331	62,616,824,925
Over 6 months but within 1 year	70,669,063,194	67,844,444,037	70,669,063,194	67,867,972,668
Over 1 year but within 5 years	96,041,585,276	67,763,399,356	96,041,585,276	67,787,329,042
Over 5 years but within 10 years	29,542,938,998	27,568,841,577	30,062,515,106	27,568,841,577
	294,747,417,133	261,004,293,927	295,266,993,241	261,173,517,026
	314,686,457,859	272,602,092,316	315,206,033,967	272,771,315,415
13.2 Current deposit and other accounts				
Current deposit	15,317,811,125	14,483,572,393	15,318,915,407	14,483,572,393
Foreign currency deposit	285,663,907	296,316,037	285,663,907	297,431,413
Exchange company Taka account	486,567,048	472,941,491	486,567,048	472,941,491
Exporters' foreign currencies account	250,523,601	221,099,244	250,523,601	221,099,244
Sundry deposits	8,662,659,831	8,408,109,866	8,662,659,831	8,408,109,866
	25,003,225,512	23,882,039,031	25,004,329,794	23,883,154,407
13.3 Bills payable				
Payment order	3,536,440,241	3,535,046,225	3,536,440,241	3,535,046,225
Demand draft	21,334,275	28,693,912	21,334,275	28,693,912
	3,557,774,516	3,563,740,137	3,557,774,516	3,563,740,137
13.4 Term deposit				
Short notice deposit	24,757,514,169	27,989,175,700	25,275,985,995	28,157,283,423
Non-resident foreign currency deposit	449,660,694	345,590,452	449,660,694	345,590,452
Resident foreign currency deposit	541,323,299	267,160,313	541,323,299	267,160,313
Non-resident investment Taka account	311,912	311,912	311,912	311,912
Monthly saving scheme	35,302,253,066	32,368,519,502	35,302,253,066	32,368,519,502
Special deposit scheme	37,837,153,225	15,761,070,684	37,837,153,225	15,761,070,684
	98,888,216,365	76,731,828,563	99,406,688,191	76,899,936,286





Amount in BDT			
Group		Bank	
2018	2017	2018	2017
4,000,000,000	2,750,000,000	4,000,000,000	2,750,000,000
4,000,000,000	2,750,000,000	4,000,000,000	2,750,000,000

14. Subordinated bonds

Bank issued subordinated bonds valuing BDT 400 crore of which BDT 275 crore issued in 1st tranche and BDT 125 crore have been issued in 2nd tranche. The process of redemption is paid annually on prorata basis to bond holders in installment of 20% per year commencing at the 3rd year from the issued date. Coupon rate of the bond is base rate plus 2.50 % margin and redeemed at par at 7 years.

Sl. no. Bond Holders

1	Agrani Bank Ltd.	250,000,000	250,000,000	250,000,000	250,000,000
2	AB Bank Ltd.	1,250,000,000	-	1,250,000,000	-
3	One Bank Ltd.	250,000,000	250,000,000	250,000,000	250,000,000
4	Rupali Bank Ltd.	900,000,000	900,000,000	900,000,000	900,000,000
5	Sadharan Bima Corporation	100,000,000	100,000,000	100,000,000	100,000,000
6	Sonali Bank Ltd.	500,000,000	500,000,000	500,000,000	500,000,000
7	Mutual Trust Bank Ltd.	250,000,000	250,000,000	250,000,000	250,000,000
8	Uttara Bank Ltd.	500,000,000	500,000,000	500,000,000	500,000,000
	Totals	4,000,000,000	2,750,000,000	4,000,000,000	2,750,000,000

15 Other liabilities

Un-paid dividend	10,009,092	10,009,092	10,009,092	10,009,092
Provision for bonus	419,861,758	284,898,598	419,861,758	284,898,598
Tax liability (note 15.1)	3,505,766,562	4,169,084,122	3,306,760,379	3,983,942,543
Provision for loans & advances (including off-B/S items) (note 15.2)	14,701,582,780	12,467,485,849	14,701,582,780	12,467,485,849
Interest suspense account (note 15.3)	11,493,141,527	9,830,085,612	11,493,141,527	9,830,085,612
Provision for other assets (note 15.4)	580,216,455	580,216,455	106,620,772	106,620,772
Provision for gratuity (note 15.5)	100,000,000	100,000,000	100,000,000	100,000,000
ATM card holders' accounts	25,274,888	12,108,148	25,274,888	12,108,148
Foreign currencies adjustment account	307,076,296	292,904,553	307,076,296	292,904,553
Bills payable account MPS (CCD)	2,960,668	5,471,733	2,960,668	5,471,733
Adjusting account credit	3,584,067,526	2,401,328,766	3,584,067,526	2,401,328,766
Provision for LFA	91,404,583	93,655,125	91,404,583	93,655,125
Clearing adjusting account	1,623	35,257	1,623	35,257
Others	175,951,625	171,909,053	194,117,973	67,878,257
	34,997,315,383	30,419,192,363	34,342,879,865	29,656,424,305

15.1 Tax liability

Provision for current tax

Opening balance	12,441,482,047	14,915,514,115	12,225,498,946	14,729,066,595
Add: Provision made during the year	3,163,864,604	3,228,571,806	3,150,000,000	3,199,036,225
	15,605,346,651	18,144,085,921	15,375,498,946	17,928,102,820
Less: Adjustment made during the year	-	5,702,603,874	-	5,702,603,874
Closing balance	15,605,346,651	12,441,482,047	15,375,498,946	12,225,498,946

Advance income tax

Opening balance	8,272,397,925	12,148,959,360	8,241,556,403	12,118,117,838
Add: Paid during the year	3,827,182,164	1,826,042,439	3,827,182,164	1,826,042,439
	12,099,580,089	13,975,001,799	12,068,738,567	13,944,160,277
Less: Adjustment made during the year	-	5,702,603,874	-	5,702,603,874
Closing balance	12,099,580,089	8,272,397,925	12,068,738,567	8,241,556,403
	3,505,766,562	4,169,084,122	3,306,760,379	3,983,942,543

Status of pending assessments

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

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

(a) Specific provision against loans and advances

Opening balance	6,892,351,864	5,133,220,377	6,892,351,864	5,133,220,377
Fully provided debt written-off	-	-	-	-
Release of provision	197,132,931	302,131,487	197,132,931	302,131,487
Transfer from general provision unclassified loans	423,000,000	-	423,000,000	-
Transfer from general provision off-balance sheet items	113,000,000	-	113,000,000	-
Provision made during the year	2,040,000,000	1,457,000,000	2,040,000,000	1,457,000,000
	9,665,484,795	6,892,351,864	9,665,484,795	6,892,351,864

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

Opening balance	4,992,669,347	3,303,669,347	4,992,669,347	3,303,669,347
Transferred from/to other provision	(423,000,000)	643,000,000	(423,000,000)	643,000,000
Transferred from provision against off B/S items	-	-	-	-
Provision made during the year	-	1,046,000,000	-	1,046,000,000
Closing balance	4,569,669,347	4,992,669,347	4,569,669,347	4,992,669,347





Amount in BDT			
Group		Bank	
2018	2017	2018	2017

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

Opening balance	572,510,048	475,510,048	572,510,048	475,510,048
Provision made during the year	-	-	-	-
Transferred to/from other provision	(113,000,000)	97,000,000	(113,000,000)	97,000,000
Adjusted during the year	-	-	-	-
Closing balance	459,510,048	572,510,048	459,510,048	572,510,048
Sub total (a)+ (b)+ (c)	14,694,664,190	12,457,531,259	14,694,664,190	12,457,531,259

(d) Provision for good borrowers

Opening balance	9,954,590	9,954,590	9,954,590	9,954,590
Provision made during the year	-	-	-	-
Paid during the year	3,036,000	-	3,036,000	-
Closing balance	6,918,590	9,954,590	6,918,590	9,954,590
Total	14,701,582,780	12,467,485,849	14,701,582,780	12,467,485,849

As per Bangladesh Bank total required provision against loans and advances is BDT. 2,702.56 crore against which Bank maintained an amount of BDT. 1,424.21 crore and the balance amount will be provided within December 31, 2022 @ 20% in 2019 and 20% in 2020, 30% in 2021 and rest 30% in 2022 as per Bangladesh Bank approval letter reference no. DBI-1/82/2019-427 dated April 30, 2019.

15.3 Interest suspense account

Opening balance	9,830,085,612	9,073,309,173	9,830,085,612	9,073,309,173
Add: Amount transferred to "interest suspense" account during the year	3,719,625,473	4,676,149,715	3,719,625,473	4,676,149,715
	13,549,711,085	13,749,458,888	13,549,711,085	13,749,458,888
Less: Amount credited to income	2,056,569,558	3,916,935,026	2,056,569,558	3,916,935,026
Interest waived during the year	-	2,438,250	-	2,438,250
Amount written-off during the year	-	-	-	-
	2,056,569,558	3,919,373,276	2,056,569,558	3,919,373,276
Closing balance	11,493,141,527	9,830,085,612	11,493,141,527	9,830,085,612

15.4 Provision for other assets

Provision for fall in market price of shares

Opening balance	477,950,005	1,343,595,683	4,354,322	870,000,000
Transferred (to)/from other provision	40,000,000	(800,000,000)	40,000,000	(800,000,000)
Less: Adjusted during the year	-	(65,645,678)	-	(65,645,678)
Add: Addition during the year	-	-	-	-
Closing balance	517,950,005	477,950,005	44,354,322	4,354,322

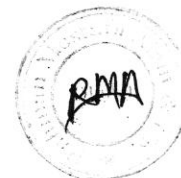
Provision for other classified assets

Opening balance	102,266,450	42,266,450	102,266,450	42,266,450
Transferred from/(to) other provision	(40,000,000)	60,000,000	(40,000,000)	60,000,000
Closing balance	62,266,450	102,266,450	62,266,450	102,266,450
	580,216,455	580,216,455	106,620,772	106,620,772

15.5 Provision for gratuity

The gratuity fund is administered by a Board of Trustee consisting of four (4) members. Total fund balance as on December 2018 stood at BDT.147.18 crore considering contribution for the year 2018 against which fund liability for eligible employees stood at BDT. 117.00 crore The movement is as under:

Opening balance	100,000,000	100,000,000	100,000,000	100,000,000
Add: Provision during the year	100,000,000	100,000,000	100,000,000	100,000,000
	200,000,000	200,000,000	200,000,000	200,000,000
Less: Transferred to fund account	100,000,000	100,000,000	100,000,000	100,000,000
Closing balance	100,000,000	100,000,000	100,000,000	100,000,000





Amount in BDT			
Group		Bank	
2018	2017	2018	2017

16. Share capital

16.1 Authorised capital

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

30,000,000,000 30,000,000,000

16.2 Issued, subscribed and fully paid-up capital

No. of shares		Amount in Taka	
2018	2017	2018	2017
Issued for cash	23,730,000	23,730,000	237,300,000
Issued for other than cash (bonus share)	2,631,177,913	2,346,723,494	26,311,779,130
Total	2,654,907,913	2,370,453,494	26,549,079,130
		23,704,534,940	

16.3 Percentage of shareholdings at the closing date

Category

Sponsors and Directors
Financial institutions
Foreign investors
Non-resident Bangladeshi
General public

2018		2017	
No. of shares	%	No. of shares	%
860,542,613	32.41%	662,562,734	27.96%
455,556,558	17.16%	462,244,540	19.51%
66,246,688	2.50%	74,515,934	3.15%
9,557,909	0.36%	9,537,711	0.41%
1,263,004,145	47.57%	1,161,592,575	48.97%
2,654,907,913	100.00%	2,370,453,494	100.00%

16.4 Statement of slab list as on December 31, 2018

Group/ type

De-materialization
Materialization

No. of share holders	No. of shares	% of share holding
79,974	2,622,722,595	98.79%
4,228	32,185,318	1.21%
84,202	2,654,907,913	100%

De-materialization

Range

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

No. of share holders	No. of shares	% of share holding
19,150	3,452,291	0.13%
37,006	72,978,254	2.75%
9,565	68,367,568	2.58%
6,573	92,361,044	3.48%
2,542	62,300,644	2.35%
1,255	43,282,709	1.63%
787	35,681,767	1.34%
1,673	117,577,448	4.43%
1,216	280,648,489	9.57%
207	1,846,072,381	69.53%
79,974	2,622,722,595	98.79%

Materialization

Range

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

No. of share holders	No. of shares	% of share holding
2,472	358,630	0.01%
1,370	2,521,511	0.09%
177	1,244,967	0.05%
95	1,381,333	0.05%
48	1,141,067	0.04%
15	519,903	0.02%
12	527,789	0.02%
20	1,372,249	0.05%
13	3,670,906	0.14%
6	19,446,963	0.73%
4,228	32,185,318	1.21%

16.5 Capital adequacy ratio

Core capital (Tier - I)

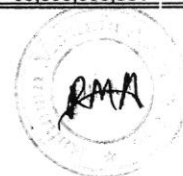
Paid up capital (note 16.2)
Statutory reserve (note 17)
General reserve (note 18)
Non-controlling (minority) interest
Retained earnings (note 20)

26,549,079,130	23,704,534,940	26,549,079,130	23,704,534,940
14,380,830,197	12,944,994,585	14,380,830,197	12,944,994,585
29,468,778	38,683,490	-	-
119,352	116,217	-	-
2,661,018,720	3,084,723,413	2,977,319,750	3,157,388,607
43,620,516,177	39,773,052,645	43,907,229,077	39,806,918,132

Less:

For short provision against quoted shares
Intangible assets
Deferred tax assets
Reciprocal cross holding of banking and NBF1 shares

1,421,144,232	-	1,395,404,548	-
79,529,926	261,373,612	79,529,926	261,373,612
343,087,021	276,129,636	342,769,347	275,811,962
107,446,680	142,540,516	107,446,680	142,540,516
1,951,207,859	680,043,764	1,925,150,501	679,726,090
41,669,308,318	39,093,008,881	41,982,078,576	39,127,192,042





Amount in BDT			
Group		Bank	
2018	2017	2018	2017
4,576,587,937	4,992,669,347	4,576,587,937	4,992,669,347
459,510,048	572,510,048	459,510,048	572,510,048
4,000,000,000	2,750,000,000	4,000,000,000	2,750,000,000
630,977,076	630,977,076	630,977,076	630,977,076
(504,781,661)	(378,586,246)	(504,781,661)	(378,586,246)
9,162,293,400	8,567,570,225	9,162,293,400	8,567,570,225
50,831,601,718	47,660,579,106	51,144,371,976	47,694,762,267
364,390,500,000	347,649,400,000	364,254,800,000	345,751,000,000
43,271,371,675	39,110,557,500	43,255,257,500	38,896,987,500
7,560,229,843	6,550,021,606	7,889,114,476	8,797,774,767
Actual			
11.44%	11.24%	11.53%	11.32%
2.51%	2.46%	2.52%	2.47%
13.95%	13.71%	14.04%	13.79%

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

A) Total capital
B) Total risk weighted assets
C) Required capital
D) (Deficit)/Surplus (A-C)
Capital adequacy ratio:

On core capital - against standard of minimum 6.00%
On supplementary capital
On total capital - including capital conservation buffer 11.625% and 11.25%

Risk weighted Assets of the Bank has calculated as per BRPD circular no. 10 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 2018. As per above calculation of Basel III CRAR as on December 31, 2018 is 14.04%. However if considered the short provision against NPL the CRAR will be 11.13%.

17. Statutory reserve	12,944,994,585	11,392,420,005	12,944,994,585	11,392,420,005
Opening balance	1,435,835,612	1,552,574,580	1,435,835,612	1,552,574,580
Add: Addition during the year (20% of pre-tax profit)	14,380,830,197	12,944,994,585	14,380,830,197	12,944,994,585
Closing balance				
18. General reserve	38,683,490	52,527,544	-	-
Opening balance	-	4,560,946	-	-
Add: Addition during the year (overseas subsidiaries)	38,683,490	57,088,490	-	-
Less: Adjustment during the year	(9,214,712)	(18,405,000)	-	-
Transferred from general reserve (overseas oper.)	(9,214,712)	(18,405,000)	-	-
Closing balance	29,468,778	38,683,490	-	-
19. Other reserve	523,746,483	169,269,984	523,746,483	169,269,984
Revaluation reserve (Govt. treasury bills and bonds) (note 19.1)	24,372,492	24,279,896	24,372,492	24,279,896
Revaluation reserve (foreign investment) (note 19.2)	354,005,015	370,354,926	354,005,015	370,354,926
Revaluation reserve (property) (note 19.3)	902,123,990	563,904,806	902,123,990	563,904,806
19.1 Revaluation reserve (Govt treasury bills and bonds)	169,269,984	715,620,880	169,269,984	715,620,880
Opening balance	1,005,133,928	671,590,631	1,005,133,928	671,590,631
Add: Addition during the year	1,174,403,912	1,387,211,511	1,174,403,912	1,387,211,511
Less: Adjustment during the year	650,657,429	1,217,941,527	650,657,429	1,217,941,527
Closing balance	523,746,483	169,269,984	523,746,483	169,269,984
19.2 Revaluation reserve (foreign investment)	24,279,896	5,992,902	24,279,896	5,992,902
Opening balance	92,596	18,286,994	92,596	18,286,994
Addition/(Adjustment) during the year	24,372,492	24,279,896	24,372,492	24,279,896
Closing balance				
19.3 Revaluation reserve (property)	370,354,926	370,354,926	370,354,926	370,354,926
Opening balance	16,349,911	-	16,349,911	-
Less: Adjustment during the year	354,005,015	370,354,926	354,005,015	370,354,926
Closing balance				
Revaluation of foreign investments has been made in 2018 as per IAS -21 " Effect of changes in Foreign Exchange Rates". On the other hand, Govt. treasury bill and bonds have been valued at market price as per Bangladesh Bank BRPD Circular No. 05 dated October 31, 2005.				
20. Retained earnings	3,084,723,413	3,823,506,459	3,157,388,607	3,964,707,023
Opening balance	-	(14,237,220)	-	-
Adjustment for prior year (overseas operation)	-	18,405,000	-	-
Transferred from general reserve (overseas operation)	3,856,675,109	4,798,248,574	4,100,310,945	4,696,011,984
Add: Post-tax profit for the year	6,941,398,522	8,625,922,805	7,257,699,552	8,660,719,007
Less: Dividend	2,844,544,190	3,950,755,820	2,844,544,190	3,950,755,820
(Bonus share 12% for 2017 and 20% for the year 2016)	1,435,835,612	1,552,574,580	1,435,835,612	1,552,574,580
Transfer to statutory reserve	-	37,868,992	-	-
Dividend paid by overseas subsidiaries	4,280,379,802	5,541,199,392	4,280,379,802	5,503,330,400
Closing balance	2,661,018,720	3,084,723,413	2,977,319,750	3,157,388,607





	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
21. Letters of guarantee				
Directors	-	-	-	-
Government	4,825,505,284	3,562,730,332	4,825,505,284	3,562,730,332
Banks and other financial institutions	77,253,500	55,787,500	77,253,500	55,787,500
Others	5,095,460,113	7,868,247,632	5,095,460,113	7,868,247,632
	9,998,218,897	11,486,765,464	9,998,218,897	11,486,765,464
Less: Margin	629,194,625	593,206,480	629,194,625	593,206,480
	9,369,024,272	10,893,558,984	9,369,024,272	10,893,558,984
22. Interest income				
Interest on advances	27,464,575,079	22,165,216,968	27,654,984,147	22,194,316,066
Interest on money at call and short notice	4,998,972	116,877,972	4,998,972	116,877,972
Interest on placement with other banks	466,942,674	207,832,521	466,942,674	207,832,521
Interest on foreign currency balances	23,150,732	27,146,019	23,150,732	27,146,019
	27,959,667,457	22,517,073,480	28,150,076,525	22,546,172,578
23. Interest paid on deposits and borrowings, etc				
Interest on deposits	18,670,478,168	14,512,172,273	18,670,478,168	14,512,708,602
Interest on borrowings	958,592,992	281,988,913	958,592,992	281,988,913
Discount	1,422,350,561	1,312,307,996	1,422,350,561	1,312,307,996
	21,051,421,721	16,106,469,182	21,051,421,721	16,107,005,511
24. Investment income				
Dividend on shares				
Local	163,308,409	370,338,298	135,267,487	347,257,727
Overseas	6,234,583	38,641,336	6,234,583	38,641,336
	169,542,992	408,979,634	141,502,070	385,899,063
Interest on treasury bills and bonds	4,947,739,579	5,053,435,403	4,947,739,579	5,053,435,403
Interest on debenture and bonds	102,249,091	45,501,989	102,249,091	45,501,989
Gain on Government securities	844,488,923	1,279,457,293	844,488,923	1,279,457,293
Profit from sale of share of listed company	73,693,542	807,341,093	38,542,544	705,534,930
Prize bonds	39,650	22,100	39,650	22,100
	6,137,753,777	7,594,737,512	6,074,561,857	7,469,850,778
25. Commission, exchange and brokerage				
Commission	1,036,573,712	1,095,796,501	834,876,050	820,056,226
Exchange gain net off exchange losses	554,323,154	718,748,089	544,828,637	720,895,789
Brokerage	-	2,880,500	-	2,880,500
	1,590,896,866	1,817,425,090	1,379,704,687	1,543,832,515
26. Other operating income				
Locker rent	5,599,954	6,206,325	5,599,954	6,206,325
Credit card and ATM	-	15,459,610	-	15,459,610
Confirmation charges	3,486,753	3,911,339	3,486,753	3,911,339
Gain from sales of assets	451,029,419	1,228,745	451,029,419	1,228,745
Remittance income	26,068,276	26,706,202	26,068,276	26,706,202
Other receipts	687,964,373	548,239,453	678,442,283	539,218,547
	1,174,148,775	601,751,674	1,164,626,685	592,730,768
27. Salaries and allowances				
Basic salary	1,805,018,383	1,750,932,173	1,696,872,267	1,647,465,886
Allowances	1,399,181,770	1,386,720,618	1,399,181,770	1,386,720,618
Bonus	390,499,632	348,705,175	390,499,632	348,705,175
Bank's contribution to provident fund	144,483,071	138,097,098	144,483,071	138,097,098
Gratuity	321,692,087	250,426,274	321,692,087	250,426,274
Provision for the year	100,000,000	100,000,000	100,000,000	100,000,000
Paid during the year	221,692,087	150,426,274	221,692,087	150,426,274
	4,060,874,943	3,874,881,338	3,952,728,827	3,771,415,051
28. Rent, taxes, insurance, electricity, etc.				
Rent, rates and taxes	507,431,886	430,253,375	467,595,735	389,265,730
Insurance	230,675,090	188,829,384	230,675,090	188,829,384
Electricity	120,508,687	103,188,119	120,508,687	103,188,119
	858,615,663	722,270,878	818,779,512	681,283,233
29. Legal expenses				
Law charges	48,143,788	17,511,620	48,143,788	17,511,620
Other professional charges	2,089,020	1,837,376	2,064,205	1,837,376
	50,232,808	19,348,996	50,207,993	19,348,996
30. Postage, stamp, telecommunication, etc				
Telephone - office	13,697,364	19,744,209	13,697,364	14,927,958
Telephone - residence	384,727	488,509	384,727	488,509
Telegram, telex, fax and e-mail	57,602,640	51,138,903	57,602,640	51,138,903
Postage	19,637,967	6,451,191	14,755,586	6,451,191
	91,322,698	77,822,812	86,440,317	73,006,561





	Amount in BDT			
	Group		Bank	
	2018	2017	2018	2017
31. Stationery, printing, advertisement, etc				
Printing and stationery	84,129,200	76,491,394	81,177,171	73,603,254
Publicity and advertisement	36,272,769	16,194,218	36,272,769	16,194,218
	120,401,969	92,685,612	117,449,940	89,797,472
32. Managing Director's salary and allowances				
Basic salary	4,973,129	450,000	4,973,129	450,000
Allowance	3,617,904	350,000	3,617,904	350,000
Bonus	900,000	-	900,000	-
Bank's contribution to provident fund	499,354	45,000	499,354	45,000
	9,990,387	845,000	9,990,387	845,000
33. Directors' fees and other benefits				
Fees	3,416,590	1,632,200	1,352,000	1,544,000
Other benefits				
Haltage, traveling and other	1,118,124	1,506,462	1,118,124	1,506,462
Refreshment	734,949	773,832	734,949	773,832
	1,853,073	2,280,294	1,853,073	2,280,294
	5,269,663	3,912,494	3,205,073	3,824,294
	1,588,656	1,547,588	575,000	500,000
34. Auditors' fees				
35. Repair, maintenance and depreciation				
A. Depreciation				
Buildings	32,126,740	36,806,796	32,121,740	36,806,796
Furniture and fixture	84,638,511	83,755,953	84,638,511	83,755,953
General equipments	79,504,601	89,011,725	79,504,601	89,011,725
Computer equipments	274,311,457	266,775,523	274,311,457	266,775,523
Vehicles	11,814,909	15,493,313	11,814,909	15,493,313
Books	203,295	18,555	203,295	18,555
	482,599,513	491,861,865	482,594,513	491,861,865
B. Repairs and maintenance				
Office premises	18,975,541	12,993,317	18,975,541	12,993,317
Furniture and fixtures	4,088,746	4,732,382	4,088,746	4,732,382
Vehicles	6,442,022	6,635,304	6,442,022	6,635,304
Equipments	175,042,987	133,449,196	152,078,971	115,364,719
	204,549,296	157,810,199	181,585,280	139,725,722
Totals (A+B)	687,148,809	649,672,064	664,179,793	631,587,587
36. Other expenses				
Car expenses	130,449,746	126,252,600	130,449,746	126,252,600
Credit card expenses	105,191	598,630	105,191	598,630
Entertainment	76,912,364	59,522,842	76,912,364	59,522,842
Traveling expenses	19,032,590	19,816,660	19,032,590	19,816,660
Donations	426,981,125	196,483,317	426,981,125	196,483,317
Subscriptions	4,718,943	3,816,379	4,718,943	3,816,379
Periodicals	3,228,786	1,516,126	3,228,786	1,516,126
Cartage/freight	29,571,181	26,424,297	29,571,181	26,424,297
Medical expense	16,199,107	15,878,827	16,199,107	15,878,827
Overseas expenses	6,246,950	5,090,701	6,246,950	5,090,701
Uniform and liveries	8,513,777	10,591,633	8,513,777	10,591,633
Training expenses	6,870,290	6,430,658	6,870,290	6,430,658
Loss on sale of share/ property/ asset	6,343	360	6,343	360
Miscellaneous	177,021,154	101,782,452	35,644,690	26,029,921
	905,857,547	574,205,482	764,481,083	498,452,951
37. Changes in other assets				
A. Balance at the beginning of the year				
Stock of stationery			32,690,257	36,612,104
Stamps in hand			3,948,690	3,731,688
Suspense account			499,333,255	396,470,897
Advance deposits			5,354,197	5,379,354
Sundry assets			253,478,248	273,795,346
Demand draft paid without advice			5,310,433	6,940,506
Bill purchase account - credit card			318,846,560	244,692,915
Inter-branch adjustment account (Net)			206,802,382	431,900,458
Payment made against claim made by EBL for guarantee issued by BCCI			13,683,225	13,683,225
Advance against cash assistance			3,795,598	4,575,500
Advance against branches			15,356,321	2,445,707
Advance against NBL Tower			1,280,874,000	1,020,874,000
Advance against fixed assets			541,709,826	531,709,826
Others			323,473,615	200,056,259
			3,504,656,607	3,172,867,785





Amount in BDT			
Group		Bank	
2018	2017	2018	2017

B. Balance at the end of the year

Stock of stationery		30,407,234	32,690,257
Stamps in hand		4,538,408	3,948,690
Suspense account		553,130,266	499,333,255
Advance deposits		5,496,704	5,354,197
Sundry assets		221,425,658	253,478,248
Demand draft paid without advice		5,317,404	5,310,433
Bill purchase account - credit card		351,856,062	318,846,560
Inter-branch adjustment account (Net)		1,419,068,487	206,802,382
Payment made against claim made by EBL for guarantee issued by BCCI		-	13,683,225
Advance against cash assistance		10,166,298	3,795,598
Advance against branches		16,573,731	15,356,321
Advance against NBL Tower		1,690,624,000	1,280,874,000
Advance against fixed assets		541,712,826	541,709,826
Others		315,350,469	323,473,615
		<u>5,165,667,547</u>	<u>3,504,656,607</u>
Net changes (A-B)		<u>(1,661,010,940)</u>	<u>(331,788,822)</u>

38. Changes in other liabilities

A. Balance at the beginning of the year

Un-paid dividend		10,009,092	10,009,092
Provision for bonus		284,898,598	304,395,477
ATM card holders' accounts		12,108,148	3,555,609
Foreign currencies adjustment account		292,904,553	190,931,612
Bills payable account MPS (CCD)		5,471,733	11,916,026
Provision for LFA		93,655,125	90,294,562
Clearing adjusting account		35,257	38,666
Others		67,878,257	62,765,898
		<u>766,960,763</u>	<u>673,906,942</u>

B. Balance at the end of the year

Un-paid dividend		10,009,092	10,009,092
Provision for bonus		419,861,758	284,898,598
ATM card holders' accounts		25,274,888	12,108,148
Foreign currencies adjustment account		307,076,296	292,904,553
Bills payable account MPS (CCD)		2,960,668	5,471,733
Provision for LFA		91,404,583	93,655,125
Clearing adjusting account		1,623	35,257
Others		194,117,973	67,878,257
		<u>1,050,706,881</u>	<u>766,960,763</u>
Net Changes (A-B)		<u>283,746,118</u>	<u>93,053,821</u>

39. Earnings per share (EPS) Restated

(a) Net profit after tax	3,856,678,244	4,798,282,730	4,100,310,945	4,696,011,984
(b) Number of ordinary shares outstanding	2,370,453,494	2,370,453,494	2,370,453,494	2,370,453,494
(c) Issue of bonus shares during the year 12% of (b)	284,454,419	284,454,419	284,454,419	284,454,419
(d) Number of ordinary shares outstanding (d=b+c)	2,654,907,913	2,654,907,913	2,654,907,913	2,654,907,913
Earnings per share (EPS) (a/d)	1.45	1.81	1.54	1.77

Earnings per share (EPS) has been computed by dividing the basic earnings by the number of ordinary shares outstanding as of December 31, 2018 in terms of IAS 33: "Earnings Per Share (EPS)". EPS for the year ended December 31, 2017 was restated for the issues of bonus share in 2018 for the year 2017.

40. Number of employees

The number of employees engaged for the whole year or part thereof who received a total remuneration of BDT 36,000 per annum or above were 4,657.





National Bank Limited
Notes to the financial statements
For the year ended December 31, 2018

41. Audit committee

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

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

During the year under review, the audit committee of the Board conducted 7 (seven) meetings in which, among others, the following issues were discussed:

- i) Review of Bank's financial statements and recommended for consideration of the Board.
- ii) Review of draft audited financial statements of subsidiary companies of the Bank.
- iii) Review of internal control and compliance system of the Bank.
- iv) Review of internal audit reports of different branches. Identification of minor/major lapses and compliances there
- v) Guidelines for audit program during the year 2019.
- vi) Review of working of the credit administration division of the Bank.
- vii) Review of Green Banking and stress Testing of the Bank.

42. Event after the Balance Sheet date

No material event had occurred after the balance sheet date except declaration of 10% stock dividend.

43. Related party disclosures

- i) **Name of the Directors and the entities in which they have interest as on December 31, 2018:**

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	Chairman	
		Z H Sikder Women's Medical College & Hospital (Pvt) Ltd.	9.40%
		Sikder Real Estate Ltd.	10.00%
		Sikder Pharmaceuticals Ltd.	15.00%
		Z H Sikder University of Science & Technology	
Mrs. Monowara Sikder	Director	Monowara Sikder Medical College and Hospital.	
		Alhaj Mokforuddin Sikder Foundation	
		Zarina Sikder Trust	
		Managing Director	
		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.			
Vice Chairperson			
Z H Sikder University of Science & Technology			
Member			
Alhaj Mokforuddin Sikder Foundation			
Zarina Sikder Trust			





Ms. Parveen Haque
Sikder, MP

Director

Chairperson

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	

Vice Chairperson

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

Director

Sikder Pharmaceuticals Ltd.	10.00%
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Treasurer

Z H Sikder University of Science & Technology

Proprietor

Z M Real Estate

Member

Monowara Sikder Medical College and Hospital.

Alhaj Mokforuddin Sikder Foundation

Zarina Sikder Trust

Alhaj Khalilur Rahman

Director

Chairman

KDS Garments Ind. Ltd.	50.15%
KDS Apparels Ltd.	49.88%
KIY Steel Ind. Ltd.	95.00%
KDS Fashion Ltd.	12.50%
Steel Accessories Ltd.	50.00%
KDS Logistics Ltd.	43.24%
KDS IDR Ltd.	45.00%
KDS Thread Ltd.	20.00%
KDS Accessories Ltd.	55.17%
KDS Poly Ind. Ltd.	74.00%

Managing Director

KDS Textile Mills Ltd.	20.27%
KYCR Coil Ind. Ltd.	9.21%
KY Steel Mills Ltd.	98.00%
Sky Securities Ltd.	42.46%

Shareholder

Al-Arafah Islami Bank Ltd.	8,508,279 shares
Pragati Insurance Ltd.	2,952,385 shares
Pragati Life Insurance Ltd.	242,711 shares





Mr. Moazzam Hossain

Director

Chairman

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

Managing Director

EnergyPrima Ltd.	30.43%
Hosaf Meter Industry Ltd.	97.89%
Citi Link Apartment Ltd.	99.98%
H F Power Limited	0.60%

Proprietor

Hosaf Consultancy	100.00%
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Shareholder

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

Mr. Rick Haque Sikder

Director

Chairman

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

Director

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

Managing Director

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

Managing Partner

Power Pac	50.00%
A1 Trade Center	50.00%

Proprietor

The River	100.00%
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Member

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





Mr. Ron Haque Sikder Director

Managing Director

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%

Director

Z H Sikder Women's Medical College & Hosital (ovt) Ltd.	9.40%
Sikder Pharmaceuticals Ltd.	10.00%

Vice Chairman

Sikder Real Estate Ltd.	10.00%
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Managing Partner

Power Pac	50.00%
A1 Trade Center	50.00%

Member

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

Shareholder

R & R Aviation Ltd.	18.00%
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Mr. Zakaria Taher Director

Chairman

Purbachal Drillers Ltd.	50.00%
T S Holdings Ltd.	60.00%
Zyta Garments Ltd.	59.97%
T S Packaging Ltd	40.00%

Director

Jeans Culture Ltd.	40.00%
Clotes Labelon (BD) Ltd.	14.00%

Managing Director

Armana Fashions Ltd.	50.50%
Armana Ltd.	40.00%
Armana Apparels Ltd.	50.00%
Zyta Apparels Ltd.	51.00%
Denimach Ltd.	15.00%
Denimach Washing Ltd.	10.00%
Denitex Ltd.	20.00%
Armach Logistics Ltd.	60.00%

Sponsor shareholder

Pragati Life Insurance Ltd.	303,596 shares
Pragati Insurance Ltd.	285,908 shares





Mr. Mabroor Hossain	Director	Director Hosaf Meter Industry Ltd. 0.49% Hosaf International Ltd. 1.42% Hosaf Gene Cure Pharma Co. Ltd. 18.00% Euro Knitting & Dyeing Inds. Ltd. 25.00% Hosaf Proficient Energy Ltd. 40.00% EnergyPrima Ltd. 0.04% Shahjibazar Electric Generation Ltd. 10.00% Infozillion Teletech BD Ltd. 22.00% H F Power Limited 0.60%
		Shareholder Pragati Life Insurance Ltd 3.25% Pragati Insurance Ltd. 0.01%
		Proprietor M H Holdings 100.00%

Mr. Md. Mahbubur Rahman Khan	Independent Director	Managing Director Himalaya Trading Co. Ltd. Hotel Raffles Inn Proprietor M/s. Mahbubur Rahman Khan
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Mr. Md. Badiul Alam	Representative Director (Sikder Insurance)
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Mr. Choudhury Moshtaq Ahmed	Managing Director	Nil	Nil	Nil
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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	2018 BDT (000)
KDS Garments Ltd	Alhaj Khalilur Rahman, Chairman and Mr. Salim Rahman, Managing Director of KDS Garments Limited and Director of the Bank.	LG	2,500.00
Z H Sikder Women's Medical College and Hospital (Pvt) Ltd	Common Director	Loan (Gen) & Term	67,323.00
Rick Haque Sikder and others	Director	SOD	57,606.00
NBL Securities Ltd	Subsidiary	Loan	2,306,101.00
Total			2,433,530.00

v) **Lending policies to related parties**

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

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

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

Managing Director

Director

Director

Chairman





National Bank Limited
Schedule of fixed assets
As at December 31, 2018

Annex - A

Particulars	Cost / Revaluation				Rate (%)	Depreciation				Written down value at December 31, 2018
	As at January 01, 2018	Addition During the year	Disposal/ adjustment	Total at December 31, 2018		Upto January 01, 2018	Charge During the year	Disposal/ adjustment	Total to December 31, 2018	
Land	669,006,896	42,664,000	18,454,144	693,216,752	0.00%	-	-	-	-	693,216,752
Building	1,463,692,042	-	187,402,246	1,276,289,796	2.50%	217,482,918	32,121,740	15,228,197	234,376,461	1,041,913,335
Furniture and fixtures	999,397,726	60,300,139	1,636,856	1,058,061,009	10.00%	608,318,865	84,638,511	1,613,255	691,344,121	366,716,888
General equipment	1,027,183,538	54,877,304	12,069,222	1,069,991,620	20.00%	851,078,139	79,504,601	12,039,886	918,542,854	151,448,766
Computer equipment	1,399,041,778	55,019,997	15,548,505	1,438,513,270	33.33%	1,024,331,819	274,311,457	15,546,242	1,283,097,034	155,416,236
Vehicles	267,823,419	23,805,537	15,101,672	276,527,284	20.00%	242,945,064	11,814,909	14,379,216	240,380,757	36,146,527
Books	1,482,691	456,513	-	1,939,204	20.00%	1,438,477	203,295	-	1,641,772	297,432
As at December 31, 2018	5,827,628,090	237,123,490	250,212,645	5,814,538,935		2,945,595,282	482,594,513	58,806,796	3,369,382,999	2,445,155,936
As at December 31, 2017	5,647,039,649	208,778,021	28,189,580	5,827,628,090		2,481,340,136	491,861,865	27,606,719	2,945,595,282	2,882,032,808



National Bank Limited
Balance with other Banks and Financial Institutions (Outside Bangladesh)
As at December 31, 2018

Annex- B

Particulars	Currency Name	2018			2017		
		Amount in Foreign Currency	Conversion Rate Per Unit F.C	Amount in BDT	Amount in Foreign Currency	Conversion Rate Per Unit F.C	Amount in BDT
In fixed deposit accounts (interest bearing) with:							
JP Morgan Chase Bank, Singapore	USD	539,000.00	83.9000	45,222,100	539,000.00	82.7000	44,575,300
Eastern Bank Ltd., OBU	USD	1,000,000.00	83.9000	83,900,000	-	82.7000	-
Mercantile Bank Ltd., OBU	USD	0.00	83.9000	-	1,000,000.00	82.7000	82,700,000.00
Sub-total				129,122,100			127,275,300
In demand deposit accounts	(no)						
Mashreq Bank, New York	USD	393,089.60	83.9000	32,980,217	374,336.12	82.7000	30,957,597
JP Morgan Chase Bank New York	USD	222,654.64	83.9000	18,680,724	2,049,038.98	82.7000	169,455,524
Standard Chartered Bank, New York	USD	865,115.03	83.9000	72,583,151	247,614.50	82.7000	20,477,719
Standard Chartered Bank, Mumbai	ACU	1,012,027.50	83.9000	84,909,107	78,779.20	82.7000	6,515,040
Sonali Bank, Kolkata	ACU	434,534.78	83.9000	36,457,468	219,717.92	82.7000	18,170,672
Mashreq Bank, Mumbai	ACU	437,533.84	83.9000	36,709,089	217,552.26	82.7000	17,991,572
State Bank of India, Kolkata	ACU	6,122.07	83.9000	513,642	6,122.07	82.7000	506,295
United Bank, Karachi	ACU	31,215.43	83.9000	2,618,975	31,215.43	82.7000	2,581,516
NABIL Bank, Nepal	ACU	211,703.37	83.9000	17,761,913	109,753.37	82.7000	9,076,604
Standard Chartered Bank, Colombo	ACU	57,326.01	83.9000	4,809,652	9,225.11	82.7000	762,917
Myanmar Foreign Trade Bank Yangon	ACU	137.85	83.9000	11,566	137.85	82.7000	11,400
AB Bank Ltd., Mumbai	ACU	1,183,101.67	83.9000	99,262,230	140,914.70	82.7000	11,653,646
Bank of Bhutan, Thimpu	ACU	289,625.13	83.9000	24,299,548	10,739.74	82.7000	888,176
ICICI Bank Ltd., Mumbai	ACU	38,258.27	83.9000	3,209,869	38,258.27	82.7000	3,163,959
HDFC Bank, India	ACU	513,268.34	83.9000	43,063,214	129,398.11	82.7000	10,701,224
Meezan Bank, Karchi	ACU	33,876.32	83.9000	2,842,223	-	0.0000	-
Commerz Bank, Frankfurt	EURO	7,800.00	95.4866	744,795	38,211.41	98.4874	3,763,342
Standard Chartered Bank, Frankfurt	EURO	18,755.42	95.4866	1,790,891	13,693.18	98.4874	1,348,606
Uni Credito Italino SPA, Italy	EURO	-	95.4866	-	450.00	98.4874	44,319
Alpha Bank AE Athens	EURO	200,186.23	95.4866	19,115,102	201,053.83	98.4874	19,801,269
Sonali Bank, London	GBP	-	-	-	31,331.03	110.9669	3,476,707
BOT Tokyo	JPY	96,760.00	0.7561	73,160	94,264.00	0.7307	68,879
Union Bank of Switzerland	CHF	6,613.55	84.5170	558,957	4,442.74	83.9594	373,010
Habib Bank Zurich	CHF	2,296.20	84.5170	194,068	2,267.55	83.9594	190,382
Habib Bank, Karachi	ACU	-	83.9000	-	-	82.7000	-
Habib American Bank	USD	791,948.28	83.9000	66,444,461	209,466.79	82.7000	17,322,904
Standard Chartered Bank, Singapore	SGD	1,811.62	61.1071	110,703	15,767.43	61.7210	973,182
Wachovia Bank, New York	USD	-	83.9000	-	-	82.7000	-
Citibank N.A New York	USD	605,510.04	83.9000	50,802,292	284,371.17	82.7000	23,517,496
Sub-total				620,547,017			373,793,957
Grand total				749,669,117			501,069,257





National Bank Limited
Status of large loan
As at December 31, 2018

Annex- C

(Figures in crore)

SL no.	Name of the borrower	Funded	Non-funded	Total outstanding	Remarks
1	Abul Khair Group	337.44	91.02	428.46	
2	Basundhara Group	461.08	504.13	965.21	
3	Beximco Group	813.07	4.50	817.57	
4	Beximco LPG Unit	665.83	107.08	772.91	
5	BSM Group	405.36	-	405.36	
6	BSRM Group	1.02	13.30	14.32	
7	Dekko Group	301.32	265.01	566.33	
8	Ehsan Group	539.99	-	539.99	
9	FMC Group	835.62	61.81	897.43	
10	M H Group	411.58	2.12	413.70	
11	Maisha Group	1,801.34	89.19	1,890.53	
12	Millennium Group	441.82	-	441.82	
13	NAF Trading	627.66	-	627.66	
14	NASSA Group	827.25	125.20	952.45	
15	Pacific Group	493.89	-	493.89	
16	Pran RFL Group	393.91	14.40	408.31	
17	S A Group	384.36	5.86	390.22	
18	S Alam Group	696.45	14.42	710.87	
19	S Alam Super Edible Oil Ltd.	688.55	-	688.55	
20	S Alam Vegetable Oil & Allied Concern-Fairy Trade Int.	871.39	300.98	1,172.37	
21	Saad Musa Group	639.42	9.66	649.08	
22	TK Group	18.61	27.87	46.48	
23	Western Marine Shipyard Ltd.	595.35	-	595.35	
Total		13252.31	1636.55	14888.86	





National Bank Limited
Status on REPO and Reverse REPO
As at December 31, 2018

Annex-D

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

(Figures in crore)

Counter party	Agreement date	Reversal date	Amount BDT
Commercial Bank of Ceylon PLC	27.12.2018	01.01.2019	15.99
Janata Bank Ltd.	27.12.2018	03.01.2019	59.49
National Credit and Commercial Bank Ltd.	27.12.2018	01.01.2019	31.77
Standard Chartered Bank	27.12.2018	01.01.2019	120.44
Southeast Bank Ltd.	27.12.2018	01.01.2019	70.19
The City Bank Ltd.	27.12.2018	03.01.2019	30.97
Total			328.85

ii) Disclosure regarding outstanding Reverse REPO

Counter party	Agreement date	Reversal date	Amount BDT
NIL			
Total	-	-	-

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			
Prime Bank Ltd.	2.08	-	47.31
Agrani Bank Ltd.	-	200.03	
Reverse REPO			
AB Bank Ltd.	27.84	-	1.59
Mutual Trust Bank Ltd.	-	101.31	

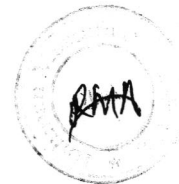


National Bank Limited
Structural Liquidity Profile
As at December 31, 2018

*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
Assets (Inflow)								
Cash in hand (LCY+FCY)	324.67	-	-	-	-	-	1,457.14	1,781.81
Balance with Bangladesh Bank (LCY)	98.62	-	-	-	-	-	-	98.62
Balance with Bangladesh Bank (FCY)	-	-	-	-	-	-	-	-
Balance with other banks and financial institutions	140.97	150	50	15	128	-	15.75	499.72
Money at call and on short notice	-	-	-	189.59	302.68	1,548.96	2,770.77	4,812.00
Investment in G-SEC	-	30.04	-	-	-	-	-	30.04
Other Investment (Share, Debenture and bond, MFU and others)	0.83	20.00	180.37	420.86	664.59	75.00	509.15	1,870.80
Loans and advances	1,002.25	13.21	3,614.21	4,561.23	7,463.44	8,891.08	4,279.54	29,824.96
Bills purchased and discounted	8.17	24.50	32.67	89.83	8.16	-	-	163.33
Reverse REPO with Bangladesh Bank	-	-	-	-	-	-	-	-
Reverse REPO with Others	-	-	-	-	-	-	-	-
Fixed assets including premises, furniture and fixtures	-	-	-	-	-	-	244.51	244.51
Other assets	-	-	-	-	-	-	1,747.65	1,747.65
Non-banking assets	-	-	-	-	-	-	33.58	33.58
Other receivables	-	-	-	-	-	-	-	-
Total Inflows	1,575.51	237.75	3,877.25	5,276.51	8,566.87	10,515.04	11,058.09	41,107.02
Liabilities (Outflows)								
Borrowing from Bangladesh Bank (Refinances etc)	1.79	12.56	39.47	107.72	261.45	-	-	422.99
REPO/LS with Bangladesh Bank	238.39	90.46	-	-	-	-	-	328.85
REPO with other banks and fis.	-	-	-	-	-	-	-	-
Borrowing from other banks and fis.	442.00	-	-	-	-	-	-	442.00
Money at call and on short notice	547.01	79.20	81.76	117.52	2,043.90	2,710.73	-	-
Demand Deposits	54.61	57.57	57.15	63.50	63.50	3,936.94	-	4,233.27
Savings bank deposit	363.02	709.59	2,620.37	6,468.09	6,497.06	2,814.31	1,854.17	21,326.61
Fixed Deposit	35.66	178.28	35.78	35.35	70.71	-	-	355.78
Bills Payable	-	-	0.30	117.05	1,536.52	10.66	55.33	1,719.86
Provision and other liabilities	-	-	-	-	-	-	-	-
Capital and Reserve	-	-	-	-	-	240.18	4,735.47	4,975.65
Total Outflows	1,682.48	1,127.66	2,834.83	6,909.23	10,473.14	9,712.82	6,644.97	39,385.13
Letter of Credit/Guarantees (Net of margin)	10.34	72.36	227.42	843.28	1,320.10	-	-	2,473.50
Other OBS Items (Net of margin)	61.94	433.60	650.46	1,306.51	-	-	-	2,452.51
Available Balance with BB (FCY)	-	72.22	-	-	-	-	-	72.22
Net Nostro a/c balance	72.28	2.68	-	-	-	-	-	74.96
Net Mismatch	(106.97)	(1,320.97)	164.54	(3,782.51)	(3,226.37)	802.22	4,413.12	(3,056.94)
Cumulative Net Mismatch	(106.97)	(1,427.94)	(1,263.40)	(5,045.91)	(8,272.28)	(7,470.06)	(3,056.94)	

Medium Term Funding Ratio (MTF):
Maximum Cumulative Outflow (MCO):0.758
17.21%



National Bank Limited
Highlights on the activities of the Bank
As at December 31, 2018

(BDT in Million)

Sl. No.	Particulars	2018	2017
1	Paid-up Capital	26,549.08	23,704.53
2	Total Capital (Tier-I+II)	51,144.37	47,694.76
3	Capital Surplus/ (Deficit)	7,889.11	8,797.77
4	Total Assets	407,227.40	350,692.42
5	Total Deposits	315,206.03	272,771.32
6	Total Loans and Advances	314,507.26	248,467.15
7	Total Contingent Liabilities and Commitments	52,836.83	56,641.57
8	Advance / Deposit Ratio (%)	97.49%	89.03%
9	Percentage of Classified Loans against total Loans and Advances	9.50%	10.64%
10	Profit after Provision & Tax	4,100.31	4,696.01
11	Amount of Classified Loans	29,881.46	26,448.33
12	Provision kept against Classified Loans	9,665.48	6,892.35
13	Cost of Fund (including operating cost)	8.52%	7.63%
14	Interest Earning Assets	365,612.68	308,507.13
15	Non-interest Earning Assets	41,614.72	42,185.29
16	Return on Investment (ROI)	10.28%	12.35%
17	Return on Assets (ROA)	1.08%	1.43%
18	Income from Investment	6,074.56	7,469.85
19	Earnings per Share (Taka)	1.54	1.77
20	Net income per Share (Taka)	1.54	1.77
21	Price Earning Ratio (Times)	6.15	6.57
22	Net Assets Value per shares (Taka)	16.88	17.03





National Bank Limited
Offshore Banking Unit, Bangladesh
Balance Sheet
As at December 31, 2018

Particulars	Notes	2018		2017	
		USD	BDT	USD	BDT
PROPERTY AND ASSETS					
CASH					
In hand (including foreign currencies)		-	-	-	-
With Bangladesh Bank (Including foreign currencies)		-	-	-	-
BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS (ON CURRENT AND OTHER ACCOUNTS) 3					
In Bangladesh		3,667,950.05	307,741,010	1,573,869.86	130,159,038
Outside Bangladesh		-	-	-	-
		3,667,950.05	307,741,010	1,573,869.86	130,159,038
MONEY AT CALL AND SHORT NOTICE					
		-	-	-	-
INVESTMENT					
		-	-	-	-
LOANS AND ADVANCES 4					
i) Loans, cash credits, overdrafts, etc.					
In Bangladesh		2,654,348.02	222,699,799	-	-
Outside Bangladesh		-	-	-	-
		2,654,348.02	222,699,799	-	-
ii) Bills purchased and discounted					
Payable in Bangladesh		71,665,950.49	6,012,773,246	64,937,743.91	5,370,351,421
Payable outside Bangladesh		-	-	-	-
		71,665,950.49	6,012,773,246	64,937,743.91	5,370,351,421
		74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
FIXED ASSETS	5	80.04	6,716	264.52	21,876
OTHER ASSETS	6	1,214,202.21	101,871,565	946,176.97	78,248,835
NON-BANKING ASSETS		-	-	-	-
TOTAL ASSETS		<u>79,202,530.81</u>	<u>6,645,092,336</u>	<u>67,458,055.26</u>	<u>5,578,781,170</u>





Particulars	Notes	2018		2017	
		USD	BDT	USD	BDT
CAPITAL AND LIABILITIES					
BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS					
	7				
In Bangladesh		71,673,985.53	6,013,447,386	47,915,310.53	3,962,596,181
Outside Bangladesh		2,612,995.00	219,230,281	15,929,050.00	1,317,332,435
		74,286,980.53	6,232,677,667	63,844,360.53	5,279,928,616
		74,286,980.53	6,232,677,667	63,844,360.53	5,279,928,616
DEPOSITS AND OTHER ACCOUNTS					
	8				
Current deposits and other accounts		2,926,223.41	245,510,144	2,136,077.70	176,653,626
Term deposits		884,547.00	74,213,493	868,066.00	71,789,058
		3,810,770.41	319,723,637	3,004,143.70	248,442,684
OTHER LIABILITIES					
	9	1,104,779.87	92,691,032	609,551.03	50,409,870
TOTAL LIABILITIES		79,202,530.81	6,645,092,336	67,458,055.26	5,578,781,170
CAPITAL/SHAREHOLDERS' EQUITY					
Retained earnings brought forward from profit & loss account		-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		79,202,530.81	6,645,092,336	67,458,055.26	5,578,781,170
Off balance sheet items					
Contingent liabilities					
Acceptance and endorsements		3,258,900.00	273,421,710	1,997,600.00	165,201,520
Letter of guarantee - Banks		-	-	-	-
Letter of guarantee - Others		80,500.00	6,753,950	80,500.00	6,657,350
Bills for collection		5,403,800.00	453,378,820	2,909,500.00	240,615,650
Irrevocable letters of credit		892,100.00	74,847,190	811,900.00	67,144,130
Other commitments		-	-	-	-
		9,635,300.00	808,401,670	5,799,500.00	479,618,650





National Bank Limited
Offshore Banking Unit, Bangladesh
Profit and Loss Account
For the year ended December 31, 2018

Particulars	Notes	2018		2017	
		USD	BDT	USD	BDT
Interest income	10	4,431,351.42	371,790,384	2,445,302.53	202,226,519
Interest paid on deposits and borrowings	11	3,219,996.15	270,157,677	1,516,622.14	125,424,651
Net interest income		1,211,355.27	101,632,707	928,680.39	76,801,868
Commission, exchange and brokerage	12	91,156.63	7,648,041	79,670.41	6,588,743
Other Operating Income	13	116,521.15	9,776,124	133,781.39	11,063,721
Total operating income		1,419,033.05	119,056,872	1,142,132.19	94,454,332
Salary and allowances	14	38,618.26	3,240,073	28,417.89	2,350,159
Rent, taxes, Insurance, electricity etc.	15	13,170.15	1,104,975	10,082.83	833,850
Postage, stamps, telecommunication etc.	16	2,215.29	185,863	3,488.24	288,477
Repair, maintenance and depreciation	17	705.51	59,192	92.24	7,628
Other operating expenses	18	96.68	8,111	5,000.00	413,500
		54,805.89	4,598,214	47,081.20	3,893,614
Profit before provision		1,364,227.16	114,458,658	1,095,050.99	90,560,718
Less: General Provision against UC Loan	2.3	-	-	-	-
Profit before income tax		1,364,227.16	114,458,658	1,095,050.99	90,560,718
Less: Provision for income tax	2.3	-	-	-	-
Net Profit after taxation		1,364,227.16	114,458,658	1,095,050.99	90,560,718
Balance of Profit brought forward		-	-	-	-
Effect of changes in exchange rate		-	-	-	-
Retained Earnings carried forward		1,364,227.16	114,458,658	1,095,050.99	90,560,718
Less: Retained earnings transferred to central operation		1,364,227.16	114,458,658	1,095,050.99	90,560,718
		-	-	-	-





National Bank Limited
Offshore Banking Unit, Bangladesh

Cash Flow Statement
For the year ended December 31, 2018

	2018		2017	
	USD	BDT	USD	BDT
A) Cash flows from operating activities				
Interest Income	4,431,351.42	371,790,384	2,445,302.53	202,226,519
Interest paid	(3,219,996.15)	(270,157,677)	(1,516,622.14)	(125,424,651)
Commission, exchange and brokerage	91,156.63	7,648,041.00	79,670.41	6,588,743
Received from other operating activities	116,521.15	9,776,124.00	133,781.39	11,063,721
Paid to employees	(38,618.26)	(3,240,073.00)	(28,417.89)	(2,350,159)
Paid to supplier	(15,906.47)	(1,334,552.00)	(13,571.07)	(1,122,327)
Paid for operating expenses	(96.68)	(8,111.00)	(5,000.00)	(413,500)
<i>Operating profit before changes in operating assets and liabilities</i>	<u>1,364,411.64</u>	<u>114,474,136</u>	<u>1,095,143.23</u>	<u>90,568,346</u>
(Increase)/decrease in operating assets:				
Loan and advances to customers	(9,382,554.60)	(865,121,624)	(30,272,501.38)	(2,642,120,571)
Other Assets	(268,025.35)	(23,622,730)	(445,715.76)	(38,861,428)
Increase/(decrease) in operating liabilities:				
Effect of Changes in exchange rate	-	(318)	-	(1,426)
Deposits from Banks	-	-	-	-
Customers' deposits and other accounts	806,626.71	71,280,953	(1,400,976.79)	(98,249,990)
Borrowing from other banks and financial institutions	10,442,620.00	952,749,051	30,062,894.53	2,621,252,923
Other liabilities	495,228.95	42,281,162	449,258.90	37,794,518
Net cash provided from/(used in) operating activities	<u>3,458,307.35</u>	<u>292,040,630</u>	<u>(511,897.27)</u>	<u>(29,617,628)</u>
B) Cash flows from investing activities				
Changes in fixed assets	-	-	-	-
Fund placement	-	-	-	-
C) Cash flows from financing activities				
Profit remitted to Head Office	(1,364,227.16)	(114,458,658)	(1,059,050.99)	(90,560,718)
D) Net increase in cash and cash equivalents (A+B+C)	<u>2,094,080.19</u>	<u>177,581,972</u>	<u>(1,606,948.26)</u>	<u>(120,178,346)</u>
E) Opening cash and cash equivalents	<u>1,573,869.86</u>	<u>130,159,038</u>	<u>3,180,818.12</u>	<u>250,337,384</u>
F) Closing cash and cash equivalent (D+E)	<u>3,667,950.05</u>	<u>307,741,010</u>	<u>1,573,869.86</u>	<u>130,159,038</u>
G) Closing cash and cash equivalents				
Cash In hand (including foreign currencies)	-	-	-	-
Balances with Bangladesh Bank and its agent bank (s)	-	-	-	-
Balances with other Banks and Financial Institutions	3,667,950.05	307,741,010	1,573,869.86	130,159,038
Money at call and short notice	-	-	-	-
Prize bonds	-	-	-	-
	<u>3,667,950.05</u>	<u>307,741,010</u>	<u>1,573,869.86</u>	<u>130,159,038</u>





**National Bank Limited
Offshore Banking Unit**

Notes to the Financial Statements
For the year ended December 31, 2018

1 Status

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

2 Significant Accounting policy

2.1 Basis of accounting

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

2.2 Loans and advances

- These are stated in the Balance Sheet on gross basis and accumulated specific and general provisions for bad and doubtful debts being shown under other liabilities.
- Interest income is recognised on accrual basis to comply with the IFRS-15 "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
- Provision for Loans and Advances is made on the basis of period end review by the management and instructions contained in Bangladesh Bank BRPD circular 19 & 20 dated December 2005, BRPD circular No. 14 dated September 23, 2012, BRPD Circular No. 05 dated May 29, 2013.

2.3 Common expenses

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

These are accounted for in the central accounts of NBL.

3 Balance with other Banks and Financial Institutions

Inside Bangladesh

NBL Mohakhali Branch
Placement with NBL
Head Office ID

2018		2017	
USD	BDT	USD	BDT
299,039.65	25,089,427	783,765.61	64,817,416
2,874,870.00	241,201,593	492,067.53	40,693,985
494,040.40	41,449,990	298,036.72	24,647,637
3,667,950.05	307,741,010	1,573,869.86	130,159,038

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

Payable

On demand	3,667,950.05	307,741,010	1,573,869.86	130,159,038
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	-	-	-	-
	3,667,950.05	307,741,010	1,573,869.86	130,159,038

4 Loans and advances

4.1 Loans, Cash Credit, Overdraft etc.

4.1.1 Inside Bangladesh

Loans
Cash Credit
Loan against TR
Secured Overdraft

2,654,348.02	222,699,799	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,654,348.02	222,699,799	-	-
-	-	-	-
2,654,348.02	222,699,799	-	-

4.1.2 Outside Bangladesh

4.2 Bills purchased and discounted

4.2.1 Inside Bangladesh

Local Bill Purchased
Foreign Bill Purchased

-	-	-	-
71,665,950.49	6,012,773,246	64,937,743.91	5,370,351,421
71,665,950.49	6,012,773,246	64,937,743.91	5,370,351,421
-	-	-	-
71,665,950.49	6,012,773,246	64,937,743.91	5,370,351,421
74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421

4.2.2 Outside Bangladesh





	2018		2017	
	USD	BDT	USD	BDT
4.3 Maturity grouping of loans and advances including bills discounted and purchased				
Payable on demand	860,000.00	72,154,000	-	-
Less than three months	9,923,863.78	832,612,171	59,526,265.25	4,922,822,136
More than three months but less than one year	61,361,343.99	5,148,216,761	5,411,478.66	447,529,285
More than one year but less than five years	2,175,090.74	182,490,113	-	-
	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
4.4 Maturity analysis of bills purchased and discounted				
Within one month	860,000.00	72,154,000	59,526,265.25	4,922,822,136
More than one month but less than three months	9,776,400.00	820,239,960	5,411,478.66	447,529,285
More than three months but less than six months	61,029,550.49	5,120,379,286	-	-
	71,665,950.49	6,012,773,246	64,937,743.91	5,370,351,421
4.5 Loans and Advances on the basis of Significant Concentration				
4.5.1 Loans and Advances to Directors, Executive and Others				
Advance to Directors and their allied concerns(including Ex-Directo	-	-	-	-
Advances to CEO & Managing Director	-	-	-	-
Advances to Other executives and staffs	-	-	-	-
Advances to Customers (Group wise)	-	-	-	-
Industrial Advances	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
4.6 Industry-wise Concentration of loans and advances				
Air way sector (BBAW)	-	-	320,000.00	26,464,000
Pharmaceuticals Industries	647,210.87	54,300,992	888,486.67	73,477,848
Textile & Garments Industry	9,715,077.60	815,095,011	3,873,838.78	320,366,467
Cement Industry	-	-	2,884,942.50	238,584,745
Others	63,958,010.04	5,366,077,042	56,970,475.96	4,711,458,361
	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
4.7 Geographical location-wise concentration of Loans and advances				
Inside Bangladesh				
Dhaka Division	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
Chittagong Division	-	-	-	-
Khulna Division	-	-	-	-
Rajshahi Division	-	-	-	-
Barishal Division	-	-	-	-
Sylhet Division	-	-	-	-
Outside Bangladesh				
	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
4.8 Classified, unclassified, doubtful and bad loans & advances				
Unclassified				
Standard	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
Special Mention Account	-	-	-	-
Classified				
Sub-standard	-	-	-	-
Doubtful	-	-	-	-
Bad/Loss	-	-	-	-
	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421





	2018		2017	
	USD	BDT	USD	BDT
4.9 Particulars of loans and advances				
i) Debt considered good in respect of which the bank is fully secured	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
ii) Debt considered good for which the bank holds no other security than the debtor's personal security	-	-	-	-
iii) Debts considered good and secured by the personal security of one or more parties in addition to the personal security of the debtors	-	-	-	-
iv) Debts considered doubtful or bad, not provided for	-	-	-	-
	74,320,298.51	6,235,473,045	64,937,743.91	5,370,351,421
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	-	-	-	-
5 Fixed Assets				
Furnitures, fixtures and fittings	1,807.35	151,637	1,807.35	149,468
Office Equipments	8,291.02	695,617	8,291.02	685,667
	10,098.37	847,254	10,098.37	835,135
Accumulated Depreciation	10,018.33	840,538	9,833.85	813,259
	80.04	6,716	264.52	21,876
6 Other assets				
Stationery in hand	-	-	-	-
Adjusting account debit	1,214,202.21	101,871,565	946,176.97	78,248,835
	1,214,202.21	101,871,565	946,176.97	78,248,835
7 Borrowings from other Banks, Financial Institutions and Agents				
In Bangladesh				
Head office, ID Bangladesh Bank	71,673,985.53	6,013,447,386	47,915,310.53	3,962,596,181
	71,673,985.53	6,013,447,386	47,915,310.53	3,962,596,181
Outside Bangladesh	2,612,995.00	219,230,281	15,929,050.00	1,317,332,435
	74,286,980.53	6,232,677,667	63,844,360.53	5,279,928,616
7.1 Classification based on types of security				
Secured	-	-	-	-
Unsecured	74,286,980.53	6,232,677,667	63,844,360.53	5,279,928,616
	74,286,980.53	6,232,677,667	63,844,360.53	5,279,928,616
7.2 Maturity grouping of borrowings from other Banks, Financial Institutions and Agents				
Payable on demand	-	-	-	-
Payable within one month	1,337,000.00	112,174,300	47,915,310.53	3,962,596,181
More than one month but less than three months	3,217,500.00	269,948,250	5,229,050.00	432,442,435.00
More than three months but less than 1 year	23,304,195.00	1,955,221,961	10,700,000.00	884,890,000.00
More than 1 year but less than 5 years	46,428,285.53	3,895,333,156	-	-
	74,286,980.53	6,232,677,667	63,844,360.53	5,279,928,616
8 Deposits and other accounts				
Current and other accounts				
Current account	372,536.10	31,255,779	621,538.95	51,401,271
Sundry deposits	2,553,687.31	214,254,365	1,514,538.75	125,252,355
	2,926,223.41	245,510,144	2,136,077.70	176,653,626
Term deposits	884,547.00	74,213,493	868,066.00	71,789,058
	3,810,770.41	319,723,637	3,004,143.70	248,442,684





	2018		2017	
	USD	BDT	USD	BDT
8.1 Maturity grouping of deposits and other accounts				
Payable on demand	2,926,223.41	245,510,144	621,538.95	51,401,271
Payable within one month	-	-	26,460.00	2,188,242
More than one month but less than three months	884,547.00	74,213,493	455,444.00	37,665,219
More than three months but less than one year	-	-	1,900,700.75	157,187,952
More than one year but less than five years	-	-	-	-
	3,810,770.41	319,723,637	3,004,143.70	248,442,684
9 Other liabilities				
Adjusting Account Credit	1,104,779.87	92,691,032	609,551.03	50,409,870
Provision for Off-Balance Sheet Items	-	-	-	-
Provision for unclassified Loans and advances	-	-	-	-
	1,104,779.87	92,691,032	609,551.03	50,409,870
10 Interest income				
Interest on Advances	4,257,009.05	357,163,059	2,437,411.90	201,573,964
Interest on Money at Call and Short Notice	-	-	-	-
Interest on fund placement with HO, ID	174,342.37	14,627,325	7,890.63	652,555
Interest on Foreign Currency Balances	-	-	-	-
	4,431,351.42	371,790,384	2,445,302.53	202,226,519
11 Interest paid on deposits and borrowings				
Interest on Deposits	20,781.00	1,743,526	14,662.00	1,212,547
Interest on Borrowings	3,199,215.15	268,414,151	1,501,960.14	124,212,104
Discount	-	-	-	-
Interest on REPO	-	-	-	-
	3,219,996.15	270,157,677	1,516,622.14	125,424,651
12 Commission, exchange and brokerage				
Commission	91,153.86	7,647,809	79,670.41	6,588,743
Exchange gain net off exchange losses	2.77	232	-	-
Brokerage	-	-	-	-
	91,156.63	7,648,041	79,670.41	6,588,743
13 Other Operating Income				
Shipping Guarantee, Handling charges, service charges etc.	103,712.15	8,701,449	120,499.84	9,965,337
Postage	-	-	9.00	744
Courier	2,808.00	235,591	3,403.00	281,428
SWIFT	5,456.00	457,758	4,216.00	348,663
Remittance Income	430.00	36,077	1,050.00	86,835
Miscellaneous	4,115.00	345,249	4,603.55	380,714
	116,521.15	9,776,124	133,781.39	11,063,721
14 Salaries and allowances				
Basic Salary	23,120.19	1,939,784	13,245.87	1,095,433
Allowances	13,658.54	1,145,952	13,709.96	1,133,814
Bank's contribution to PF	1,839.53	154,337	1,462.06	120,912
Bonus	-	-	-	-
Others	-	-	-	-
	38,618.26	3,240,073	28,417.89	2,350,159
15 Rent, taxes, insurance, electricity etc.				
Rent Office	12,538.24	1,051,958	9,639.87	797,217
Electricity	631.91	53,017	442.96	36,633
	13,170.15	1,104,975	10,082.83	833,850
16 Postage, stamps, telecommunication etc.				
Telephone Office	-	-	13.33	1,102
Courier	89.20	7,484	171.55	14,187
Internet	386.00	32,385	875.55	72,408
SWIFT charges	1,740.09	145,994	2,427.81	200,780
	2,215.29	185,863	3,488.24	288,477





17 Repair, maintenance and depreciation

Depreciation

Furnitures, fixtures, fittings etc.
Computer Equipment
Office Equipments

2018		2017	
USD	BDT	USD	BDT
184.48	15,478	92.24	7,628
-	-	-	-
-	-	-	-
184.48	15,478	92.24	7,628

Repair & maintainance

Office Premises
Office Equipments
Furnitures and fixtures
Others

-	-	-	-
521.03	43,714	-	-
-	-	-	-
-	-	-	-
521.03	43,714	-	-
705.51	59,192	92.24	7,628

18 Other operating expenses

Registration and renewal fees
Stationary
Others

-	-	5,000.00	413,500
96.68	8,111	-	-
-	-	-	-
96.68	8,111	5,000.00	413,500

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 83.90 which represents the year-end mid rate of exchange as at December 31, 2018.

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





National Bank Limited
Offshore Banking Unit, Bangladesh
Statement of Liquidity in US Dollar
(Maturity analysis of assets and liabilities)
As at December 31, 2018

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					
<u>ASSETS</u>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	3,667,950.05	-	-	-	-	3,667,950.05
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customers	860,000.00	9,923,863.78	61,361,343.99	2,175,090.74	-	74,320,298.51
Fixed assets	-	-	80.04	-	-	80.04
Other assets	-	1,214,202.21	-	-	-	1,214,202.21
Non-banking assets	-	-	-	-	-	-
Total Assets	4,527,950.05	11,138,065.99	61,361,424.03	2,175,090.74	-	79,202,530.81
<u>LIABILITIES</u>						
Borrowings from other banks & financial institutions	1,337,000.00	3,217,500.00	23,304,195	46,428,286	-	74,286,980.53
Deposits & other accounts	2,926,223.41	884,547.00	-	-	-	3,810,770.41
Other liabilities	-	1,104,779.87	-	-	-	1,104,779.87
Total Liabilities	4,263,223.41	5,206,826.87	23,304,195.00	46,428,285.53	-	79,202,530.81
Net Liquidity Difference	264,726.64	5,931,239.12	38,057,229.03	(44,253,194.79)	-	-





National Bank Limited
Offshore Banking Unit, Bangladesh
Statement of Liquidity in BDT
(Maturity analysis of assets and liabilities)
As at December 31, 2018

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					
ASSETS						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	307,741,010	-	-	-	-	307,741,010
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customers	72,154,000	832,612,171	5,148,216,761	182,490,113	-	6,235,473,045
Fixed assets	-	-	6,716	-	-	6,716
Other assets	-	101,871,565	-	-	-	101,871,565
Non-banking assets	-	-	-	-	-	-
Total Assets	379,895,010	934,483,736	5,148,223,477	182,490,113	-	6,645,092,336
LIABILITIES						
Borrowings from other banks & financial institutions	112,174,300	269,948,250	1,955,221,961	3,895,333,156	-	6,232,677,667
Deposits & other accounts	245,510,144	-	74,213,493	-	-	319,723,637
Other liabilities	-	92,691,032	-	-	-	92,691,032
Total Liabilities	357,684,444	362,639,282	2,029,435,454	3,895,333,156	-	6,645,092,336
Net Liquidity Difference	22,210,566	571,844,454	3,118,788,023	(3,712,843,043)	-	-

