

Howladar Yunus & Co.

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Independent Auditor's Report to the Shareholders of National Bank Limited

We have audited the accompanying consolidated financial statements of National Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of National Bank Limited (the "Bank"), which comprises the consolidated balance sheet and the separate balance sheet as at 31 December 2013, 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 a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in 2.1 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 as amended 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and separate financial statements of the Bank. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and separate financial statements of the Bank, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements of the Group and separate financial statements of the Bank that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes



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evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also separate financial statements of the Bank.

The financial statements of the Bank's all subsidiaries have been audited by other component auditors who have expressed unqualified audit opinion and accepted by us for the audit of the Group's consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and also 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 31 December 2013, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in note 2.1

Report on Other Legal and Regulatory Requirements

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

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) 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 of the Group and the financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Control:
 - i) Internal audit, internal control and risk management arrangements of the Group and the Bank as disclosed in the financial statements appeared to be materially adequate.
 - ii) Nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities.
- (c) financial statements of all subsidiary companies of the Bank have been audited and properly reflected in the consolidated financial statements;
- (d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;
- (f) the expenditure incurred was for the purposes of the Bank's business;

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- (g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;
- (h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;
- (i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (j) the information and explanation required by us have been received and found satisfactory; and
- (k) We have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 4,000 person hours for the audit of the books and accounts of the Bank.

Emphasis of matter

We draw attention to the following matters, though our opinion is not qualified in respect of the same:

1. As disclosed in note # 13.5 to the financial statements, Tk. 5 crore has been maintained as a gratuity provision where gratuity provision is required Tk. 30.10 crore on the basis of NBL calculation. As a result Tk. 25.10 crore is shortfall against gratuity provision which is permitted by Bangladesh Bank vide letter # DBI-1(DGM-4)/82/2014-689, dated 18.03.2014 to be made within the year 2016.
2. As disclosed in note # 7.4.1 and 2.6.3 to the financial statements, there is loss of revaluation of secondary portfolio of Tk. 87.18 crore as on December 2013. Bangladesh Bank vide letter no. DOS(SR)1153/161/2014-37 dated 04.02.2014 has approved for deferral of provision and to keep Tk.5.00 crore in 2013 and rest of Tk. 82.18 crore will be made within 2014 on quarterly basis.
3. During the year 14 parties having outstanding of Tk. 1,193.66 crore have been rescheduled and realized down payment of Tk. 22.99 crore under BRPD circular # 15 dated 23 December 2013 along with NOC from Bangladesh Bank. The total loan amount is backed by collateral security of Tk. 462.74 crore.
4. During the year 2013, the Bank has charged to its profit & loss account by Tk. 301.00 crore under the expenditure head "Charges on Loan Loss" to write off some advances in terms of Bangladesh Bank BRPD Circular 02, dated 13.01.2003.

Howladar Yunus & Co.
Chartered Accountants

Dhaka, 27th April 2014

National Bank Limited

Consolidated Balance Sheet

As at December 31, 2013

PROPERTY AND ASSETS	Notes	2013	2012
		Taka	Taka
Cash			
Cash in hand (Including foreign currencies)	3	2,395,006,619	2,709,562,276
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	4	12,508,983,181	11,258,089,565
		14,903,989,800	13,967,651,841
Balance with other Banks and Financial Institutions	5		
In Bangladesh		1,966,445,610	738,088,192
Outside Bangladesh		3,851,390,182	2,883,767,985
		5,817,835,792	3,621,856,177
Money at call on short notice	6	98,900,000	849,100,000
Investments	7		
Government		47,513,285,781	44,858,185,202
Others		8,856,730,766	8,983,413,436
		56,370,016,547	53,841,598,638
Loans and advances	8		
Loans, cash credits, overdrafts etc.		147,459,396,138	122,393,147,819
Bills purchased & discounted		4,828,405,814	4,535,872,035
		152,287,801,952	126,929,019,854
Fixed assets including land, buildings, furniture and fixtures	9	2,675,280,341	2,035,063,939
Other assets	10	2,436,388,267	3,031,776,078
Non-banking assets	2.6.5	336,660,241	337,803,241
TOTAL ASSETS		234,926,872,940	204,613,869,768
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	11	3,322,119,629	12,885,856,016
Deposits and other accounts	12		
Current deposits and other accounts	12.2	19,115,368,844	17,125,872,571
Bills payable	12.3	2,225,679,010	2,025,057,936
Savings bank deposits		24,921,946,124	22,921,243,417
Fixed deposits		92,814,097,206	76,320,321,649
Term deposits	12.4	53,222,103,744	37,904,753,384
		192,299,194,928	156,297,248,957
Subordinated bond	2.18	2,000,000,000	2,500,000,000
Other liabilities	13	13,488,695,117	10,589,813,731
TOTAL LIABILITIES		211,110,009,674	182,272,918,704
Shareholders' equity			
Paid up capital	14.2	14,196,032,440	14,196,032,440
Statutory reserve	15	7,411,663,610	6,713,680,908
General reserve	16	17,800,819	50,132,892
Other reserve	17	900,929,703	610,387,280
Retained earnings	18	1,290,340,814	770,633,905
TOTAL SHAREHOLDERS' EQUITY		23,816,767,386	22,340,867,425
Non-controlling interest		95,880	83,639
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		234,926,872,940	204,613,869,768

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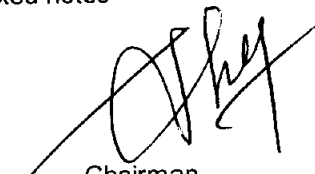
	Notes	2013 Taka	2012 Taka
OFF BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	19	26,767,247,428	14,290,423,584
Letters of guarantee		14,877,841,680	11,140,819,861
Irrevocable letters of credit		23,722,707,953	16,198,177,449
Bills for collection		8,136,763,515	7,914,088,690
Other liabilities (Bad & Loss)		-	-
		73,504,560,576	49,543,509,584
Other contingent liabilities			
Value of Bangladesh sanchaya patra on hand		1,066,150,000	781,480,000
Value of travelers' cheques on hand		-	-
		1,066,150,000	781,480,000
Total contingent liabilities		74,570,710,576	50,324,989,584
Other commitments			
Lease rental commitments		-	-
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Spot and forward foreign exchange rate contracts		894,738,450	159,500,000
Other exchange contracts		-	-
		894,738,450	159,500,000
Claims against the Bank not acknowledged as debt		894,738,450	159,500,000
Total off Balance Sheet items (Including contingent liabilities)		75,465,449,026	50,484,489,584

These Financial Statements should be read in conjunction with the annexed notes


Managing Director


Director


Director


Chairman

Auditors' Report to the shareholders signed in terms of our separate report of even date

Dhaka, April 27, 2014

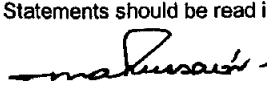

Chartered Accountants

National Bank Limited Consolidated Profit and Loss Account For the year ended December 31, 2013

		2013 Taka	2012 Taka
Interest income	20	18,999,188,112	19,083,967,037
Less: Interest paid on deposits and borrowings	21	16,166,093,671	13,664,836,965
Net interest income		2,833,094,441	5,419,130,072
Investment income	22	5,227,329,680	4,261,917,848
Commission, exchange and brokerage	23	2,075,105,534	1,784,886,273
Other operating income	24	1,048,243,193	912,620,019
Total operating income		11,183,772,848	12,378,554,212
Salary and allowances	25	2,770,951,342	2,771,076,546
Rent, taxes, insurance, electricity etc.	27	528,247,219	455,667,380
Legal expenses	28	34,511,773	18,817,289
Postage, stamp, telecommunication etc.	30	81,917,177	70,396,201
Stationery, printing, advertisement, etc.	31	116,034,685	120,100,049
Managing director's salary and allowances	32	10,331,291	11,040,000
Directors' fees and other benefits	26	3,795,772	16,597,973
Audit fees	29	1,391,721	953,110
Charges on loan losses		3,017,758,560	3,400,275,455
Repairs, maintenance and depreciation	33	386,561,421	345,961,356
Other expenses	34	587,011,013	1,301,674,827
Total operating expenses		7,538,511,974	8,512,560,186
		3,645,260,874	3,865,994,026
Effect of changes of exchange rates		(4,527,241)	1,348,081
Profit before provision		3,640,733,633	3,867,342,107
Provision for loans and advances			
Specific provision	13.2 (a)	-	270,000,000
General provision (Including Off B/S items)	13.2 (b & c)	-	180,000,000
		-	450,000,000
Provision for other classified assets	13.4	171,958,850	159,141,037
Total provision		171,958,850	609,141,037
Profit before taxes		3,468,774,783	3,258,201,070
Provision for taxation	13.1	1,372,757,028	1,820,110,250
Deferred taxes (Income)/expenses		9,644,453	7,283,199
		1,382,401,481	1,827,393,449
Net profit after taxation		2,086,373,302	1,430,807,621
Net profit after tax attributable to:			
Non-controlling interests		(7,759)	(14,787)
Equityholders of parent company		2,086,381,061	1,430,822,408
Net profit after taxation without non-controlling interests		2,086,381,061	1,430,822,408
Retained earnings brought forward from previous year		770,633,905	5,155,930,470
		2,857,014,966	6,586,752,878
Appropriations			
Statutory reserve		(697,982,702)	(655,039,226)
Transfer from general reserve (for appropriation)		-	497,723,327
Transfer to general reserve (Overseas operation)		(11,662,500)	(50,132,892)
Cash Dividend paid by overseas subsidiaries		(5,267,004)	(16,293,772)
Dividend:			
6% Cash for 2012		(851,761,946)	-
65% Bonus Share for 2011		-	(5,592,376,410)
		(1,566,674,152)	(5,816,118,973)
Retained earnings carried forward		1,290,340,814	770,633,905
Earnings per share		1.47	1.01

These Financial Statements should be read in conjunction with the annexed notes


Managing Director


Director


Director


Chairman

Auditors' Report to the shareholders signed in terms of our separate report of even date

Dhaka, April 27, 2014


Chartered Accountants

National Bank Limited
Consolidated Statement of Changes in Equity
For the year ended December 31, 2013

(Figure in BDT)

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Other Reserve	Retained Earnings	Total
Balance on January 01, 2013	14,196,032,440	6,713,680,908	50,132,892	610,387,280	770,633,905	22,340,867,425
Net profit for the year	-	-	-	-	2,086,381,061	2,086,381,061
Cash dividend paid by overseas subsidiaries					(5,267,004)	(5,267,004)
Cash dividend paid-NBL					(851,761,946)	(851,761,946)
Transfer to statutory reserve	-	697,982,702	-	-	(697,982,702)	-
Revaluation of Govt. Treasury Bill, Bond and other Investment	-	-	-	290,542,423	-	290,542,423
Transfer to general reserve (Overseas subsidiaries)			11,662,500		(11,662,500)	
Bonus shares issued by overseas subsidiaries	-	-	(43,994,573)	-	-	(43,994,573)
Balance at December 31, 2013	14,196,032,440	7,411,663,610	17,800,819	900,929,703	1,290,340,814	23,816,767,386
Balance at December 31, 2012	14,196,032,440	6,713,680,908	50,132,892	610,387,280	770,633,905	22,340,867,425


Managing Director


Director


Director


Chairman

Howladar Yunus & Co.

National Bank Limited

Balance Sheet

As at December 31, 2013

PROPERTY AND ASSETS		2013 Taka	2012 Taka
	<u>Notes</u>		
Cash			
Cash in hand (Including foreign currencies)	3	2,350,521,500	2,677,259,183
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currencies)	4	12,508,983,181	11,258,089,565
		14,859,504,681	13,935,348,748
Balance with other Banks and Financial Institutions	5		
In Bangladesh		1,896,062,848	736,963,279
Outside Bangladesh		3,728,274,373	2,728,278,638
		5,624,337,221	3,465,241,917
Money at call on short notice	6	98,900,000	849,100,000
Investments	7		
Government		47,513,285,781	44,858,185,202
Others		9,314,234,980	9,468,275,630
		56,827,520,761	54,326,460,832
Loans and advances	8		
Loans, cash credits, overdrafts etc.		146,270,580,076	121,633,914,771
Bills purchased & discounted		4,828,405,814	4,535,872,035
		151,098,985,890	126,169,786,806
Fixed assets including land, buildings, furniture and fixtures	9	2,636,589,375	2,002,382,112
Other assets	10	3,691,299,372	4,121,205,108
Non-banking assets	2.6.5	336,660,241	337,803,241
TOTAL ASSETS		235,173,797,541	205,207,328,764
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other Banks, Financial Institutions and Agents	11	3,322,119,629	12,885,856,016
Deposits and other accounts	12		
Current deposits and other accounts	12.2	19,121,953,740	17,140,389,788
Bills payable	12.3	2,225,679,010	2,025,057,936
Savings bank deposits		24,921,946,124	22,921,243,417
Fixed deposits		92,814,097,206	76,320,321,649
Term deposits	12.4	54,559,292,756	38,924,719,404
		193,642,968,836	157,331,732,194
Subordinated bond	2.18	2,000,000,000	2,500,000,000
Other liabilities	13	12,279,071,943	10,115,474,506
TOTAL LIABILITIES		211,244,160,408	182,833,062,716
Shareholders' equity			
Paid up capital	14.2	14,196,032,440	14,196,032,440
Statutory reserve	15	7,411,663,610	6,713,680,908
Other reserve	17	900,929,703	610,387,280
Retained earnings	18	1,421,011,380	854,165,420
TOTAL SHAREHOLDERS' EQUITY		23,929,637,133	22,374,266,048
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		235,173,797,541	205,207,328,764

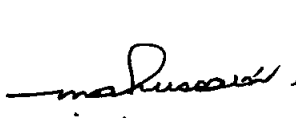
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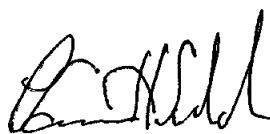
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	<u>Notes</u>	<u>2013</u> <u>Taka</u>	<u>2012</u> <u>Taka</u>
OFF BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	19	26,767,247,428	14,290,423,584
Letters of guarantee		14,877,841,680	11,140,819,861
Irrevocable letters of credit		23,722,707,953	16,198,177,449
Bills for collection		8,136,763,515	7,914,088,690
Other liabilities (Bad & Loss)		-	-
		73,504,560,576	49,543,509,584
Other contingent liabilities			
Value of Bangladesh sanchaya patra on hand		1,066,150,000	781,480,000
Value of travelers' cheques on hand		-	-
		1,066,150,000	781,480,000
Total contingent liabilities		74,570,710,576	50,324,989,584
Other commitments			
Lease rental commitments		-	-
Documentary credits and short term trade -related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Spot and forward foreign exchange rate contracts		894,738,450	159,500,000
Other exchange contracts		-	-
		894,738,450	159,500,000
Claims against the Bank not acknowledged as debt		894,738,450	159,500,000
Total off Balance Sheet Items (Including contingent liabilities)		75,465,449,026	50,484,489,584

These Financial Statements should be read in conjunction with the annexed notes


Managing Director


Director


Director


Chairman

Auditors' Report to the shareholders signed in terms of our separate report of even date

Dhaka, 27 April, 2014


Chartered Accountants

National Bank Limited Profit and Loss Account For the year ended December 31, 2013

		2013 Taka	2012 Taka
	<u>Notes</u>		
Interest income	20	18,934,861,846	19,103,179,268
Less: Interest paid on deposits and borrowings	21	16,166,135,843	13,679,661,151
Net Interest income		2,768,726,003	5,423,518,117
Investment income	22	5,213,021,470	4,252,948,959
Commission, exchange and brokerage	23	1,837,866,122	1,496,571,591
Other operating income	24	1,035,852,820	868,942,329
Total operating income		10,855,466,415	12,041,980,996
Salary and allowances	25	2,700,063,918	2,701,557,449
Rent, taxes, insurance, electricity etc.	27	494,278,302	422,454,496
Legal expenses	28	33,950,173	17,669,791
Postage, stamp, telecommunication etc.	30	79,124,089	68,635,677
Stationery, printing, advertisement, etc.	31	111,933,064	116,149,019
Managing director's salary and allowances	32	10,331,291	11,040,000
Directors' fees and other benefits	26	2,249,035	15,154,668
Audit fees	29	425,000	400,000
Charges on loan losses		3,017,758,260	3,400,275,455
Repairs, maintenance and depreciation	33	369,007,774	329,208,113
Other expenses	34	496,432,001	1,234,240,198
Total operating expenses		7,315,552,907	8,316,784,866
Profit before provision		3,539,913,508	3,725,196,130
Provision for loans and advances			
Specific provision	13.2 (a)	-	270,000,000
General provision (Including Off B/S items)	13.2 (b & c)	-	180,000,000
		-	450,000,000
Provision for other classified assets	13.4	50,000,000	-
Total provision		50,000,000	450,000,000
Profit before taxes		3,489,913,508	3,275,196,130
Provision for taxation	13.1	1,365,000,000	1,780,000,000
Deferred taxes (Income)/expenses		8,322,900	7,283,199
		1,373,322,900	1,787,283,199
Net profit after taxation		2,116,590,608	1,487,912,931
Retained earnings brought forward from previous year		854,165,420	5,115,944,798
		2,970,756,028	6,603,857,729
Appropriations			
Statutory reserve		(697,982,702)	(655,039,226)
Transfer from general reserve (for appropriation)		-	497,723,327
Dividend:			
6% Cash for 2012		(851,761,946)	-
65% Bonus Share for 2011		-	(5,592,376,410)
		(1,549,744,648)	(5,749,692,309)
Retained earnings carried forward		1,421,011,380	854,165,420
Earnings per share	37	1.49	1.05

These Financial Statements should be read in conjunction with the annexed notes


Managing Director


Director


Director


Chairman

Auditors' Report to the shareholders signed in terms of our separate report of even date

Dhaka, 27 April, 2014


Chartered Accountants

National Bank Limited

Cash Flow Statement

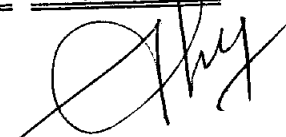
For the year ended December 31, 2013

	Notes	2013 Taka	2012 Taka
A) Cash flows from operating activities			
Interest received		18,802,753,507	19,103,179,268
Interest paid		(15,278,856,150)	(13,236,920,898)
Income from Investment		4,787,697,219	3,238,529,141
Fees, commission, exchange & brokerage		1,837,866,122	1,496,571,591
Cash paid to employees		(2,712,644,244)	(2,727,752,117)
Cash paid to suppliers		(820,123,100)	(698,946,709)
Income taxes paid	13.1	(2,012,846,969)	(3,097,930,756)
Received from other operating activities		891,141,774	760,548,473
Paid for other operating activities		(496,361,445)	(415,024,814)
Operating profit before changes in operating assets and liabilities		4,998,626,714	4,422,253,179
Increase/(decrease) in operating assets & liabilities			
Sale of trading securities-Quoted shares		943,892,362	372,106,974
Purchase of trading securities-Quoted shares		(827,787,249)	(969,332,350)
Loans and advances to other banks		-	-
Loans and advances to customers		(27,946,957,344)	(13,588,161,038)
Other assets	35	548,940,154	1,704,394,723
Deposits from other Banks		5,124,462,940	1,656,463,939
Deposits from customers		31,186,773,702	27,459,298,915
Other liabilities	36	1,550,057,372	(410,559,233)
		10,579,381,937	16,224,211,930
Net cash received from operating activities		15,578,008,651	20,646,465,109
B) Cash flows from investing activities			
Proceeds from sale of Govt. & Unquoted Securities		34,704,173,770	22,389,573,620
Investment made during the year (Govt. & Unquoted Securities)		(36,711,564,950)	(47,442,866,600)
Purchase of property, plant and equipment		(943,127,728)	(355,185,767)
Sale proceeds of fixed assets		184,965,653	160,763,939
Net cash used in investing activities		(2,765,553,255)	(25,247,714,808)
C) Cash flows from financing activities			
Borrowings from Other Banks, Financial Institutions and agents		(9,563,736,387)	7,047,007,910
Cash dividend paid		(851,761,946)	-
Net cash used/received from financing activities		(10,415,498,333)	7,047,007,910
D) Net Increase / (decrease) in cash and cash-equivalents (A+B+C)		2,396,957,063	2,445,758,211
E) Effects of exchange rate changes on cash and cash-equivalents		(69,937,026)	(67,224,087)
F) Cash and cash-equivalents at beginning of the year		18,261,569,165	15,883,035,041
G) Cash and cash-equivalents at end of the year (D+E+F)		20,588,589,202	18,261,569,165
Cash and cash-equivalents at end of the year			
Cash in hand (including foreign currencies)		2,350,521,500	2,677,259,183
Balances with Bangladesh Bank and its agent bank (s)		12,508,983,181	11,258,089,565
Balances with other Banks and Financial Institutions		5,624,337,221	3,465,241,917
Money at call and short notice		98,900,000	849,100,000
Reverse repo		-	-
Prize bonds		5,847,300	11,878,500
		20,588,589,202	18,261,569,165


Managing Director



Director


Director


Chairman

National Bank Limited
Statement of changes in Equity
For the year ended December 31, 2013

Particulars	Paid up Capital	Statutory Reserve	Other Reserve	Retained Earnings	(Figure in BDT)	
					Total	Total
Balance on January 01, 2013	14,196,032,440	6,713,680,908	610,387,280	854,165,420	22,374,266,048	22,374,266,048
Net profit for the year	-	-	-	2,116,590,608	2,116,590,608	2,116,590,608
Cash dividend paid				(851,761,946)	(851,761,946)	(851,761,946)
Transfer to statutory reserve	-	697,982,702	-	(697,982,702)	-	-
Revaluation of Govt. Treasury Bill, Bond and other Investment	-	-	290,542,423	-	290,542,423	290,542,423
Balance at December 31, 2013	14,196,032,440	7,411,663,610	900,929,703	1,421,011,380	23,929,637,133	23,929,637,133
Balance at December 31, 2012	14,196,032,440	6,713,680,908	610,387,280	854,165,420	22,374,266,048	22,374,266,048


Managing Director


Director


Director



Chairman

National Bank Limited
Liquidity Statement
(Asset and liability maturity analysis)
As at December 31, 2013

(Figure in BDT)

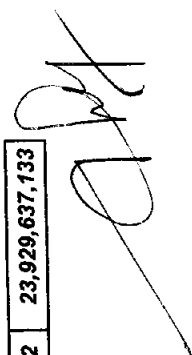
Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
Assets						
Cash in hand	2,350,521,500	-	-	-	-	2,350,521,500
Balance with Bangladesh Bank and its agent Bank	12,508,983,181	-	-	-	-	12,508,983,181
Balances with other banks and financial institutions	4,825,452,101	85,000,000	640,000,000	73,885,120	-	5,624,337,221
Money at call & short notice	98,900,000	-	-	-	-	98,900,000
Investments	3,585,450,678	1,081,474,956	13,576,162,000	17,233,554,724	21,350,878,403	56,827,520,761
Loans & Advances	16,690,134,499	30,072,314,415	37,590,393,020	45,108,471,624	21,637,672,332	151,098,985,890
Fixed assets including land, building, furniture & fixtures	14,157,933	28,315,867	127,421,400	625,904,547	1,840,789,628	2,636,589,375
Other assets	553,481,784	1,042,531,548	1,775,611,767	319,674,273	-	3,691,299,372
Non-banking assets	-	-	-	336,660,241	-	336,660,241
Total Assets	40,627,081,676	32,309,636,786	53,709,588,187	63,698,150,529	44,829,340,363	235,173,797,541
Liabilities						
Borrowings from other Banks, Financial Institutions & Agents	1,474,061,030	1,848,058,600	-	-	-	3,322,119,629
Deposits and other accounts	32,879,533,305	32,103,672,418	38,585,212,729	62,020,310,063	28,054,240,321	193,642,968,836
Subordinated Debt	-	-	500,000,000	1,500,000,000	-	2,000,000,000
Other liabilities	1,741,883,728	3,316,464,318	3,700,582,858	3,520,141,039	-	12,279,071,943
Total Liabilities	36,095,478,063	37,268,195,336	42,785,795,587	67,040,451,102	28,054,240,321	211,244,160,408
Net Liquidity Gap	4,531,603,614	(4,958,558,550)	10,923,792,600	(3,342,300,573)	16,775,100,042	23,929,637,133

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


Managing Director


Director


Director


Chairman

National Bank Limited **Notes to the Financial Statements** **For the year ended December 31, 2013**

1 General Information

1.1 Status of the bank

National Bank Limited (NBL) was incorporated in Bangladesh as a public limited company with limited liability as on March 15, 1983 under Companies Act 1913 (Companies Act. 1994) to carry out banking business. It obtained license from Bangladesh Bank for carrying out banking business on March 22, 1983. The Bank has been carrying out its banking activities through its one hundred seventy one (171) branches including sixteen (16) SME/Agri- branches over the country. The Bank is listed with both Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

1.2 Principal activities

1.2.1 The principal activities of National Bank Limited are to provide a comprehensive range of financial services; personal and commercial banking, trade service, cash management, treasury, security and custody services.

1.2.2 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, 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 June 01, 2008 from Bangladesh Bank. The unit commenced its operation from September, 2008 and its office is located at 9, Mohakhali, Dhaka.

2 Basis of preparation of Financial Statements and significant accounting policies

2.1 Statement of Compliance

The Financial Statements have been prepared in compliance with the Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BASs), Bangladesh Bank circulars, Bank companies Act 1991(Ammended in 2013), the Companies Act 1994, Securities and Exchange Rules and other rules and regulations as applicable in Bangladesh.

2.2 Basis of preparation of Financial Statements

The Financial Statements of the Bank as at December 31, 2013 have been prepared on going concern basis under the historical cost convention and in accordance with the "First Schedule" of the Bank Companies Act, 1991 as ammended in 2013 and as per BRPD Circular No. 14 dated June 25, 2003, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRS), Bangladesh Accounting Standards (BASs), the Companies Act 1994, the 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

A separate set of records for consolidation of Balance Sheet and Profit & Loss Account of the branches and Head Office of the Bank are maintained based on which these Financial Statements have been prepared.

2.4 Use of estimates and judgment

Preparation of the Financial Statements in conformity with BFRS/BAS 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 recognized 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 BDT, the functional currency of NBL.

2.6 Assets and basis of their valuation

2.6.1 Loans and advances

- a) Loans and advances are stated in the Balance Sheet at gross basis. General provisions on unclassified & contingent assets, Specific provisions for classified loans and interest suspense account thereon are shown under other liabilities.
- b) 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 **Bangladesh Accounting Standard (BAS) No. 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 recognized as revenue income in the period in which it is matured. The balance of the unearned lease income is amortized to revenue on a monthly basis over the primary lease term yielding a constant rate of return over the period.

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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 NBL's 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 recognized in the profit & loss account or revaluation reserve account as expense/income for the period as per provision of Bangladesh Bank circulars and **BAS-39 "Financial Instruments: Recognition and Measurement"**.

(c) Sale and repurchase agreement

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

Value of investment has been determined as follows :

<u>Items</u>	<u>Applicable accounting value</u>
Government treasury bills (HTM)	At Present Value
Government treasury bills (HFT)	At Market Value
Bangladesh Govt. 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

*During the year the Executive Committee of the Board in its 460th meeting decided to change the policy of presentation of secondary portfolio at its book value instead of Market value and keep provision for any loss on revaluation. As per previous policy a sum of Tk. 87.18 crore is required to be charged to expenditure and reduced the book value to that extent.

2.6.4 Fixed assets and depreciation

- All fixed assets are stated at cost less accumulated depreciation.
- 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	
	2013	2012
Land	Nil	Nil
Building	2.50%	2.50%
Furniture, Fixture & Fittings	10%	10%
General Equipment	20%	20%
Computer Equipment	33.33%	33.33%
Vehicles	20%	20%
Books	20%	20%

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- c) 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.

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 June 25, 2003. Out of total Non Banking assets possession of some is required be obtained by the Bank.

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 are recognized as an expense in the profit & loss account when they are due.

Provident fund

The benefits of provident fund are given to the employees of the Bank in accordance with the recognized Provident Fund Rules as per section 2(52) of Income Tax Ordinance, 1984. The Provident Fund was recognized 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 July 01, 2005, which is administered by a Board of Trustees consisting of 4 (four) members. Provision has been made for liabilities under gratuity scheme in compliance with BAS-19.

Superannuation fund

The Bank operates a Superannuation Fund Trust by a Board of Trustees consisting of 5 (five) members. The death-cum-survival benefits are given to the employees as per the eligibility narrated in the Trust Rules. The fund got recognition from the National Board of Revenue with effect from July 01, 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, computer and car loan at a consessional rate .

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2.7.2 Provision for liabilities

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

2.7.3 Provision for Loans and Advances

Provision against classified loans and advances is made on the basis of periodical review by the management and instruction contained in BCD Circular No. 12 dated 4 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, October 27, 2010, BRPD Circular No 14 dated September 23, 2012, BRPD Circular No. 05 dated May 29, 2013. The provisioning rate as per Bangladesh Bank circulars are as follows:

Business Unit		Rates of Provisions				
		Standard	SMA	SS	DF	BL
Consumer	House Building & Professional	2.00%	2.00%	20.00%	50.00%	100.00%
	Other than House Building & Professional	5.00%	5.00%	20.00%	50.00%	100.00%
Small & Medium Enterprise		0.25%	0.25%	20.00%	50.00%	100.00%
BHs/MBs/ SDs against shares		2.00%	2.00%	20.00%	50.00%	100.00%
Short term Agri Credit		5.00%	-	5.00%	5.00%	100.00%
All Others		1.00%	1.00%	20.00%	50.00%	100.00%

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 of August 7, 2007, BRPD circular No. 10 of September 18, 2007 and BRPD Circular no. 14 dated September 23, 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 @ 42.50% as prescribed in the Finance Act, 2013 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 **Bangladesh Accounting Standard (BAS)-12 "Income Taxes"**.

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.

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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 recognized complying all conditions of revenue recognition as prescribed in **Bangladesh Accounting Standard (BAS)-18, "Revenue Recognition"**.

2.9.1 Interest income

The interest receivable is recognized 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 recognized on realisation & accrual basis where applicable.

2.9.3 Fees and commission income

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

2.9.4 Dividend income on shares

Dividend income from shares is recognized during the period in which they are actually received. Stock dividend is recognized 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 are calculated on a day basis and recognized on accrual basis.

2.9.6 Management and other expenses

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

2.10 Foreign currencies translation and balance with other banks

Amount in foreign currency are translated in accordance with the principles set forth in **Bangladesh Accounting Standard-21 (BAS) "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.

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2.11 Risk management

2.11.1 Asset liability management

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

2.11.2 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.

2.11.3 Credit risk management

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

The Bank has segregated duties of the executives/officers involved in credit related activities. A separate marketing division has been formed at Head Office which is entrusted with the duties of maintaining effective relationship with the customer, marketing of credit products, exploring new business opportunities etc. Moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed namely Credit Risk Management Division, Credit Administration Division and Law & 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.

2.11.4 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.

2.11.5 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.

2.11.6 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.

2.12 Earnings per share (EPS)

Earnings per share (EPS) have been calculated in accordance with **BAS-33, "Earnings per Share"**, which is shown on the face of the Profit & Loss Account. This has been calculated by dividing the net profit after tax by the weighted average number of ordinary shares outstanding as on December 31, 2013.

2.13 Cash flow statement

Cash flow statement has been prepared in accordance with **BAS-7, "Cash Flow Statements"** and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated June 25, 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.

2.14 Statement of changes in equity

Statement of changes in equity has been prepared in accordance with **BAS-1, "Presentation of Financial Statements"** and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated 25 June, 2003.

2.15 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.

2.16 Reconciliation of inter-bank/books of accounts

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

2.17 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 recognized amount and intends either to settle on a net basis or to realize 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.

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2.18 Subordinated Bond

Considering the regulatory, legal, present market condition and future capital requirement the Management of NBL issued subordinated Bond valuing Tk. 250.00 crore in 2010. This is eligible for Tier -II capital as per revised Basel II Guidelines of Bangladesh. Details of Terms & conditions are as follows:

Issue size	Tk. 250.00 crore
Issue objectives	Raising of Tier -II capital to meet the requirement under Basel-II
Issue Arranger	Standard Chartered Bank
Nature of Instrument	Un-secured, Non-Convertible, Subordinated Bond
Mode of placement	Private placement
Listing	Unlisted
Security	Unsecured
Rating status of the issue	A2
Redemption	Paid annually on prorata basis to Bond holders in installment of 20% per year commencing at the third anniversary of the Bond from the date of issue.
Redemption value	At par
Tenure	7 years
Coupon rate	11.50%

2.19 Segment reporting

Business segment is a distinguishable component of the Bank that is engaged either in providing products or services (business segment) which is subject to risk and rewards that are different from those of other segments. The Bank's primary format for segment reporting is based on business segments. Total operation of the Bank is divided in several segment named Corporate, Retail & SME, Treasury Operation and others. Segment wise revenue is presented in the following table:

Heads of revenue	BDT in crore				
	Corporate	Retail & SME	Treasury Operation	Others	Total
Interest income	1,768.24	119.07	465.91	-	2,353.22
Interest expenses	1,214.74	81.80	320.07	-	1,616.61
Net interest income	553.50	37.27	145.84	-	736.61
Income from investments	-	-	25.00	36.56	61.57
Commission, exchange, brokerage	161.68	19.49	2.61	0.00	183.78
Other operating income	6.02	8.17	-	89.40	103.59
Total income	721.20	64.93	173.45	125.96	1,085.55
Operating Expenses*	285.54	25.71	68.67	49.87	429.79
Operating Income	435.66	39.22	104.78	76.09	655.76
Charges on loan loss					301.77
Net operating income	435.66	39.22	104.78	76.09	353.99

*Operating expenses have been allocated on the basis of income.

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	Group		Bank	
	2013 Taka	2012 Taka	2013 Taka	2012 Taka
3 Cash in hand (Including foreign currencies)				
Local currency	2,312,103,346	2,603,414,753	2,311,923,316	2,603,326,465
Foreign currency	82,903,273	106,147,523	38,598,184	73,932,718
	2,395,006,619	2,709,562,276	2,350,521,500	2,677,259,183
4 Balance with Bangladesh Bank and its agent Bank(s)				
(Including foreign currencies)				
Bangladesh Bank				
Local currency	10,852,198,007	8,427,881,866	10,852,198,007	8,427,881,866
Foreign currency	364,087,457	1,802,005,330	364,087,457	1,802,005,330
	11,216,285,464	10,229,887,196	11,216,285,464	10,229,887,196
Sonali Bank Limited (as an agent of Bangladesh Bank)	1,292,697,717	1,028,202,369	1,292,697,717	1,028,202,369
	12,508,983,181	11,258,089,565	12,508,983,181	11,258,089,565

An amount of Tk. 4,000,000.00 has been marked as lien with Bangladesh Bank upto 30 June 2014 against TT discounting facilities by various branches of NBL.

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

Cash Reserve Requirement and Statutory Liquidity Ratio have been calculated and maintained in accordance with section 33 of Bank Companies Act, 1991 and as per BRPD Circular no. 11 and 12, dated August 25, 2005 and DOS circular no. 6 dated October 05, 2005, MPD circular No.116/2010-1712 & 04 dated December 01, 2010.

The Cash Reserve Requirement on the Bank's time and demand liabilities at the rate of 6% has been calculated and maintained with Bangladesh Bank in current account and 19% Statutory Liquidity Ratio, including CRR, on the same liabilities has also been maintained in the form of cash held, Bangladesh Bank balance, Sonali Bank balance (agent bank), TT in transit and unencumbered approved securities. Both the reserves maintained by the Bank are in excess of the statutory requirements, as shown below:

a) Cash Reserve Requirement

Average time and demand liabilities (excluding inter bank deposits)	178,591,089,000	146,828,473,684	178,591,089,000	146,828,473,684
Required reserve (6% of average time & demand liabilities)	10,715,465,340	8,809,708,421	10,715,465,340	8,809,708,421
Actual average maintained	10,747,330,765	8,890,819,260	10,747,330,765	8,890,819,260
Surplus / (Shortage)	31,865,425	81,110,839	31,865,425	81,110,839

b) Statutory Liquidity Ratio

Average time and demand liabilities (excluding inter bank deposits)	178,591,089,000	146,828,473,684	178,591,089,000	146,828,473,684
Required reserve (19% of average time & demand liabilities)	33,932,306,910	27,897,410,000	33,932,306,910	27,897,410,000
Actual reserve maintained (including CRR)	58,246,960,750	46,534,081,915	58,246,960,750	46,534,081,915
Surplus / (Shortage)	24,314,653,840	18,636,671,915	24,314,653,840	18,636,671,915

c) Composition of CRR and SLR maintained*

Cash held	2,350,521,500	2,677,259,183	2,350,521,500	2,677,259,183
Balance with Bangladesh Bank	10,848,677,000	8,240,696,000	10,848,677,000	8,240,696,000
Balance with Sonali Bank	1,514,426,000	1,112,915,000	1,514,426,000	1,112,915,000
TT in transit	-	175,500,000	-	175,500,000
Unencumbered approved securities (HTM & HFT)	43,533,336,250	34,327,711,732	43,533,336,250	34,327,711,732
	58,246,960,750	46,534,081,915	58,246,960,750	46,534,081,915

* As per statement submitted to Bangladesh Bank.

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Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka

5 Balance with other banks and financial institutions

	Notes				
Inside Bangladesh - In local currency	5.1	1,966,445,610	738,088,192	1,896,062,848	736,963,279
Outside Bangladesh (Annexure-B)	5.2	3,851,390,182	2,883,767,985	3,728,274,373	2,728,278,638
		5,817,835,792	3,621,856,177	5,624,337,221	3,465,241,917

5.1 Inside Bangladesh - In local currency

In current accounts with

Agrani Bank Limited	78,227,496	51,635,677	78,227,496	51,635,677
Janata Bank Limited	122,937,009	138,938,355	122,937,009	138,938,355
Rupali Bank Limited	1,044,925	11,630	1,044,925	11,630
Standard Chartered Bank	87,139,053	32,927,967	87,139,053	32,927,967
Sonali Bank Limited	41,446,398	33,035,143	41,446,398	33,035,143
	330,794,881	256,548,772	330,794,881	256,548,772

In short notice deposit accounts with

Eastern Bank Limited	147,199	124,721	147,199	124,721
Janata Bank Limited	500,861,606	776,711	500,861,606	776,711
National Credit and Commerce Bank Limited	94,783	81,544	94,783	81,544
First Security Islami Bank Limited	74,612	60,779	74,612	60,779
Dhaka Bank Limited	167,969	150,023	167,969	150,023
Sonali Bank Limited	5,106	83,000	5,106	83,000
Trust Bank Limited	15,031,572	85,036,256	15,031,572	85,036,256
	516,382,847	86,313,034	516,382,847	86,313,034

In fixed deposit accounts (in local currency) with

ICB Islamic Bank Limited	73,885,120	74,101,473	73,885,120	74,101,473
First Security Islami Bank Limited	-	120,000,000	-	120,000,000
AB Bank Limited	200,000,000	-	200,000,000	-
	273,885,120	194,101,473	273,885,120	194,101,473

Other Financial Institutions

	775,000,000	200,000,000	775,000,000	200,000,000
	1,896,062,848	736,963,279	1,896,062,848	736,963,279
Bank balance of subsidiaries	70,382,762	1,124,913	-	-
	1,966,445,610	738,088,192	1,896,062,848	736,963,279

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5.2 Outside Bangladesh

In fixed deposit accounts (interest bearing) with

	Group		Bank	
	2013	2012	2013	2012
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
JP Morgan Chase Bank, Singapore	47,427,500	48,708,439	47,427,500	48,708,439
AB Bank -OBU	699,750,000	-	699,750,000	-
Standard Chartered Bank , NY	38,875,000	-	38,875,000	-
	786,052,500	48,708,439	786,052,500	48,708,439

In demand deposit accounts (non interest bearing) with

Standard Chartered Bank, Mumbai	57,762,116	13,438,981	57,762,116	13,438,981
Standard Chartered Bank, Frankfurt	999,270	3,906,879	999,270	3,906,879
Mashreq Bank, New York	157,692,090	60,923,154	157,692,090	60,923,154
JP Morgan Chase Bank, New York	194,920,698	733,497,298	194,920,698	733,497,298
Bank of America Int'l, New York	38,593,278	48,241,903	38,593,278	48,241,903
Standard Chartered Bank, New York	1,536,137,378	1,337,337,195	1,536,137,378	1,337,337,195
HSBC, New York	80,308,067	68,663,768	80,308,067	68,663,768
Sonali Bank Limited, Kolkata	30,265,134	14,215,011	30,265,134	14,215,011
Sonali Bank Limited, London	187,193	262,163	187,193	262,163
Mashreq Bank, Mumbai	49,379,545	10,983,916	49,379,545	10,983,916
State Bank of India, Kolkata	475,991	488,847	475,991	488,847
United Bank, Karachi	2,427,000	2,492,549	2,427,000	2,492,549
NABIL Bank, Nepal	17,918,962	37,208,694	17,918,962	37,208,694
Standard Chartered Bank, Colombo	6,697,081	2,204,632	6,697,081	2,204,632
Myanmar Foreign Trade, Myanmar	51,537	52,929	51,537	52,929
AB Bank Ltd., Mumbai	89,629,190	53,959,969	89,629,190	53,959,969
Bank of Bhutan, Thimpu	6,777,511	29,432,239	6,777,511	29,432,239
HSBC, Karachi	2,009,066	17,426,950	2,009,066	17,426,950
ICICI Bank Ltd. Mumbai	2,956,703	3,030,802	2,956,703	3,030,802
HDFC Bank Ltd. India	7,807,325	-	7,807,325	-
Commerz Bank, Frankfurt	17,573,055	3,617,590	17,573,055	3,617,590
Uni Credito Italiano SPA, Italy	765,974	9,497,155	765,974	9,497,155
Alpha Bank AE, Athens	634,124	5,236,170	634,124	5,236,170
HSBC, London	24,704,505	1,656,885	24,704,505	1,656,885
BOT, Tokyo	2,255,620	5,456,081	2,255,620	5,456,081
UBAF, Tokyo	21,595	27,134	21,595	27,134
Union Bank of Switzerland, Switzerland	885,510	485,864	885,510	485,864
Habib Bank AG, Zurich	734,056	902,337	734,056	902,337
Habib Bank, Karachi	39,897,187	-	39,897,187	-
Habib American Bank, New York	83,061,200	45,009,547	83,061,200	45,009,547
Bank of Nova Scotia, Toronto	892,937	1,970,053	892,937	1,970,053
National Australia Bank, Melbourne	385,788	147,941	385,788	147,941
Standard Chartered Bank, Singapore	6,320,592	13,773,341	6,320,592	13,773,341
Wachovia Bank, New York	172,650,261	17,001,012	172,650,261	17,001,012
Citibank N.A, New York	308,444,334	137,021,210	308,444,334	137,021,210
	2,942,221,873	2,679,570,199	2,942,221,873	2,679,570,199
Bank balance of subsidiaries	123,115,809	155,489,347	-	-
	3,065,337,682	2,835,059,546	2,942,221,873	2,679,570,199
(For details, Annexure - B may kindly be seen)	3,851,390,182	2,883,767,985	3,728,274,373	2,728,278,638

5.3 Balance with other banks and financial institutions (According to remaining maturity grouping)

Payable

On demand	4,219,488,337	2,698,480,357	4,025,989,766	2,541,866,097
Up to 1 month	799,462,335	141,603,082	799,462,335	141,603,082
Over 1 month but not more than 3 months	85,000,000	507,671,265	85,000,000	507,671,265
Over 3 months but not more than 1 year	640,000,000	210,000,000	640,000,000	210,000,000
Over 1 year but not more than 5 years	73,885,120	64,101,473	73,885,120	64,101,473
Over 5 years	-	-	-	-
	5,817,835,792	3,621,856,177	5,624,337,221	3,465,241,917

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6 Money at call on short notice

a) Deposit Money Banks

ICB Islamic Bank Limited
 Mercantile Bank Limited
 Prime Bank Limited
 Mutual Trust Bank Limited

b) Non- Banking Financial Institutions

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
98,900,000	99,100,000	98,900,000	99,100,000
-	250,000,000	-	250,000,000
-	300,000,000	-	300,000,000
-	200,000,000	-	200,000,000
98,900,000	849,100,000	98,900,000	849,100,000
-	-	-	-
98,900,000	849,100,000	98,900,000	849,100,000

7 Investments

Notes

In Government securities

REVERSE REPO		2,000,000,000	-	2,000,000,000	-
Bangladesh Bank Bills		1,043,865,900	1,618,228,960	1,043,865,900	1,618,228,960
Treasury Bills	7.1	8,354,524,700	11,002,740,362	8,354,524,700	11,002,740,362
Treasury Bonds	7.2	36,109,047,881	32,225,337,380	36,109,047,881	32,225,337,380
Prize Bonds		5,847,300	11,878,500	5,847,300	11,878,500
		47,513,285,781	44,858,185,202	47,513,285,781	44,858,185,202

Other Investments

Debentures	7.3	20,000,000	75,000,000	20,000,000	75,000,000
Shares(Quoted and Unquoted)	7.4	7,552,843,266	7,484,420,941	8,010,347,480	7,969,283,135
Subordinated Bond		1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Orascom Bond		280,000,000	420,000,000	280,000,000	420,000,000
Fixed Capital Investment in Myanmar	7.5	3,887,500	3,992,495	3,887,500	3,992,495
		8,856,730,766	8,983,413,436	9,314,234,980	9,468,275,630
		56,370,016,547	53,841,598,638	56,827,520,761	54,326,460,832

7.1 Treasury bills

91 days Treasury bill	5,302,467,726	5,723,589,165	5,302,467,726	5,723,589,165
182 days Treasury bill	1,864,368,307	1,708,118,843	1,864,368,307	1,708,118,843
364 days Treasury bill	1,187,688,667	3,571,032,354	1,187,688,667	3,571,032,354
	8,354,524,700	11,002,740,362	8,354,524,700	11,002,740,362

7.2 Treasury Bonds

5 years Treasury Bonds	10,448,517,870	9,007,170,242	10,448,517,870	9,007,170,242
10 years Treasury Bonds	18,942,765,686	16,914,893,333	18,942,765,686	16,914,893,333
15 years Treasury Bonds	4,338,563,135	3,964,269,341	4,338,563,135	3,964,269,341
20 years Treasury Bonds	2,379,201,190	2,339,004,464	2,379,201,190	2,339,004,464
	36,109,047,881	32,225,337,380	36,109,047,881	32,225,337,380

7.3 Debentures

Date of maturity Rate

BHBFC	28 Jun 13	4.50	-	45,000,000	-	45,000,000
BHBFC	08-Feb-15	5.50	10,000,000	10,000,000	10,000,000	10,000,000
BHBFC	08-Feb-14	5.50	10,000,000	10,000,000	10,000,000	10,000,000
BHBFC	08-Feb-13	5.50	-	10,000,000	-	10,000,000
			20,000,000	75,000,000	20,000,000	75,000,000

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7.4 In ordinary shares (Quoted and Unquoted)

Quoted

Prime Bank Limited
Southeast Bank Limited
Dhaka Bank Limited
City Bank Limited
EXIM Bank Limited
Eastern Bank Limited
ONE Bank Limited
Islami Bank BD Limited
Trust Bank Limited
Uttara Bank Limited
Pragati Insurance Company Limited
Jamuna Bank Limited
BRAC Bank Limited
AB Bank Limited
AB First Mutual Fund
IFIC Bank Limited
IFIC 1st Mutual Fund
First Security Islami Bank Limited
Mutual Trust Bank Limited
Bank Asia Limited
Shahjalal Islami Bank Ltd.
United Commercial Bank Ltd.
Power Grid Company of Bangladesh Ltd.
Beximco Pharma Limited
Summit Power
Titas Gas
RAK Ceramics
ACI
DESCO
MJLBD
Bay Leasing
National Housing Finance And Investments Ltd.
Lafarge Surma Cement Mills Limited
BSRM Steel Mills Ltd.
Prime 1st Mutual Fund
Al-Arafa Islami Bank Limited
APEX Tannery
BD Thai Aluminium
BEACON Pharma
BEDL
BEXIMCO Ltd.
BSCCL
City General Insurance Ltd.
Continental Insurance Ltd.
Delta Brac Housing Ltd.
Delta BracFirst Mutual Fund
DESHBANDHU Polymar
Dhaka Insurance Ltd.
EASTLAND Insurance Ltd.
Fareast Life Insurance Ltd.
Federal Insurance Ltd.
First Lease Finance & Investment Limited
Grameen Phone
GPH Ispat
Jamuna Oil
Janata Insurance Ltd.

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
2,317,830,273	2,561,103,000	2,317,830,273	2,561,103,000
1,539,239,254	1,374,956,020	1,539,239,254	1,374,956,020
1,208,528,497	1,157,129,386	1,208,528,497	1,157,129,386
15,565,232	15,647,180	15,565,232	15,647,180
48,087,593	61,892,480	48,087,593	61,892,480
1,203,680	914,862	1,203,680	914,862
28,979,584	32,053,380	28,979,584	32,053,380
-	21,409,630	-	21,409,630
6,740,997	4,257,500	6,740,997	4,257,500
9,203,644	4,929,188	9,203,644	4,929,188
84,937,421	68,946,134	84,937,421	68,946,134
32,622,169	39,348,762	32,622,169	39,348,762
232,692,855	204,205,008	232,692,855	204,205,008
23,454,013	50,068,764	23,454,013	50,068,764
1,078,102	-	1,078,102	-
250,848	26,426,905	250,848	26,426,905
-	1,200,000	-	1,200,000
2,077	1,943	2,077	1,943
2,297,111	2,278,100	2,297,111	2,278,100
104,442,703	92,708,860	104,442,703	92,708,860
2,516,893	2,365,842	2,516,893	2,365,842
1,838,758	2,194,800	1,838,758	2,194,800
82,753,567	56,299,003	82,753,567	56,299,003
-	4,753,121	-	4,753,121
89,092,647	82,393,325	89,092,647	82,393,325
68,971,936	62,225,676	68,971,936	62,225,676
-	2,938,889	-	2,938,889
15,270,292	7,506,192	15,270,292	7,506,192
27,811,969	11,551,718	27,811,969	11,551,718
4,622,080	7,304,744	4,622,080	7,304,744
69,819,227	40,538,520	69,819,227	40,538,520
41,148,560	123,950,700	41,148,560	123,950,700
6,191,840	6,580,000	6,191,840	6,580,000
123,128,016	95,365,550	123,128,016	95,365,550
-	1,430,000	-	1,430,000
1,262,709	1,330,300	1,262,709	1,330,300
-	1,777,860	-	1,777,860
35,117,491	24,650,560	35,117,491	24,650,560
3,778,842	2,475,000	3,778,842	2,475,000
-	5,705,000	-	5,705,000
5,724,810	4,508,000	5,724,810	4,508,000
-	903,720	-	903,720
18,759,383	2,301,000	18,759,383	2,301,000
3,436,509	1,630,000	3,436,509	1,630,000
4,598,971	4,676,000	4,598,971	4,676,000
1,067,130	-	1,067,130	-
7,168,057	5,322,450	7,168,057	5,322,450
1,802,097	2,600,000	1,802,097	2,600,000
3,386,159	1,415,000	3,386,159	1,415,000
-	531,000	-	531,000
955,908	544,000	955,908	544,000
-	2,000,000	-	2,000,000
-	3,500,000	-	3,500,000
6,334,694	4,408,800	6,334,694	4,408,800
-	9,282,000	-	9,282,000
-	3,344,250	-	3,344,250

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	Group		Bank	
	2013	2012	2013	2012
	Taka	Taka	Taka	Taka
KPCL	8,557,190	9,462,000	8,557,190	9,462,000
Malek Spinning Mills Ltd.	-	10,302,295	-	10,302,295
Meghna Life Insurance Ltd.	-	902,400	-	902,400
MI Cement	15,311,529	14,207,402	15,311,529	14,207,402
Meghna Petroleum	-	29,629,990	-	29,629,990
National Life Insurance Ltd.	-	4,207,530	-	4,207,530
National Life Insurance First Mutual Fund	13,662,120	-	13,662,120	-
ICB	2,343,427	-	2,343,427	-
ICB First Mutual Fund	1,629,352	-	1,629,352	-
AIMS First Mutual Fund	11,082,749	-	11,082,749	-
Navana CNG	-	3,591,000	-	3,591,000
Northern Insurance	634,495	2,002,000	634,495	2,002,000
ORION INFUSION	-	7,111,600	-	7,111,600
Padma Oil	-	5,239,688	-	5,239,688
Prime Insurance	1,669,307	660,675	1,669,307	660,675
Republic Insurance	-	1,575,000	-	1,575,000
Rupali Insurance	3,039,046	1,652,400	3,039,046	1,652,400
Saiham Cotton Mills Limited	6,576,777	2,844,150	6,576,777	2,844,150
Saiham Textile Mills Limited	7,300,171	5,680,000	7,300,171	5,680,000
Sandhani Insurance Ltd	7,506,899	476,000	7,506,899	476,000
Square Pharma	-	8,430,000	-	8,430,000
Standard Insurance	3,619,778	3,024,450	3,619,778	3,024,450
GHAIL	85,548	-	85,548	-
Bengal WTL	11,016,001	-	11,016,001	-
Unique Hotel & Resorts	31,325,533	20,192,000	31,325,533	20,192,000
United Air	8,422,066	1,575,000	8,422,066	1,575,000
Zahin Tex	11,353,147	9,106,230	11,353,147	9,106,230
	6,428,849,733	6,451,651,932	6,428,849,733	6,451,651,932
Investment made by Subsidiary	188,908,748	142,350,021	-	-
	6,617,758,481	6,594,001,953	6,428,849,733	6,451,651,932
Un- quoted				
Karma Sangsthan Bank	90,000,000	90,000,000	90,000,000	90,000,000
Gulf Overseas Exchange LLC, Oman	25,282,912	25,960,350	25,282,912	25,960,350
Central Depository (Bangladesh) Limited	6,277,770	6,277,770	6,277,770	6,277,770
Industrial & Infrastructure Development Fin. Co. Ltd	33,483,820	28,242,502	33,483,820	28,242,502
Society for Worldwide Inter Bank Financial Transactions (SWIFT)	4,401,334	4,349,467	4,401,334	4,349,467
NBL Securities Limited	-	-	999,940,000	999,950,000
NBL Capital & Equity Management Limited	-	-	199,940,000	199,950,000
NBL Money TRN SDN BHD Malaysia	-	-	23,614,300	26,099,000
NBL Money Transfer Pte. Ltd.	-	-	18,376,260	19,571,040
NBL Money Transfer (Maldives) PVT. Limited	-	-	15,550,000	15,969,980
NBL Money Transfer Inc., USA	69,975,000	39,924,950	69,975,000	39,924,950
World Link Payment Foundation	-	-	38,992,402	15,672,195
Dun & Broadstreet Rating Agency BD. Ltd	4,165,900	4,165,900	4,165,900	4,165,900
Lanka Bangla Securities	4,998,049	4,998,049	4,998,049	4,998,049
MSF Asset Management	2,000,000	2,000,000	2,000,000	2,000,000
BD Venture Limited	20,000,000	10,000,000	20,000,000	10,000,000
Membership with DSE & CSE	650,000,000	650,000,000	-	-
Information Technology Consultants Limited	24,500,000	24,500,000	24,500,000	24,500,000
	935,084,785	890,418,988	1,581,497,747	1,517,631,203
	7,552,843,266	7,484,420,941	8,010,347,480	7,969,283,135

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7.4.1 Sectorwise Investment in quoted shares

Banking companies
Non-Banking Financial Institutions
Insurance companies
Fuel & Power
Manufacturing and other companies

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
2013		2012	
Market value	Cost/Book value	Market value	Cost/Book value
4,696,079,787	5,576,758,890	5,655,221,910	6,233,662,548
222,892,576	117,910,186	171,165,220	140,136,894
103,156,518	129,747,001	95,811,839	144,327,509
255,824,133	281,809,389	279,093,144	357,863,528
279,052,501	322,624,267	250,359,819	394,724,584
5,557,005,515	6,428,849,733	6,451,651,932	7,270,715,063

There was loss on revaluation of secondary portfolio of Tk. 87.18 crore as on December 2013. Bangladesh Bank vide letter No. DOS(SR)1153/161/2014-37 dated 04.02.2014 has approved for deferral of provision and to keep Tk.5.00 crore in 2013 and rest of Tk. 82.18 crore will be made in 2014 on quarterly basis.

7.5 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 Limited in Myanmar, translated into BDT using the rate prevailing at 31st December of the corresponding years.

7.6 Maturity grouping of investments

On demand
Up to 1 month
Over 1 month but not more than 3 months
Over 3 months but not more than 1 year
Over 1 year but not more than 5 years
Over 5 years

-	-	-	-
3,585,450,678	617,771,424	3,585,450,678	617,771,424
1,081,474,956	6,945,375,014	1,081,474,956	6,945,375,014
13,576,162,000	10,917,187,517	13,576,162,000	10,917,187,517
17,233,554,724	15,863,277,429	17,233,554,724	15,863,277,429
20,893,374,189	19,497,987,254	21,350,878,403	19,982,849,448
56,370,016,547	53,841,598,638	56,827,520,761	54,326,460,832

8 Loans and advances

a) Loans, cash credits, overdrafts etc.

Inside Bangladesh

Secured overdraft
Cash credit
Loans (General)
House building loans
Lease finance
Loans against trust receipts
Payment against documents
Consumer credit scheme
Credit card
Margin Loan
Other loans and advances

30,062,146,852	22,233,270,076	30,062,146,852	22,233,270,076
39,065,337,338	29,767,081,311	39,065,337,338	29,767,081,311
46,074,119,418	43,128,205,814	46,074,119,418	43,128,205,814
9,439,663,857	5,538,771,001	9,439,663,857	5,538,771,001
233,975,747	287,231,800	233,975,747	287,231,800
9,454,746,640	9,536,512,427	9,454,746,640	9,536,512,427
723,789,454	282,132,984	723,789,454	282,132,984
2,395,370	2,680,065	2,395,370	2,680,065
1,114,650,298	871,808,014	1,114,650,298	871,808,014
5,848,816,062	5,419,233,048	4,660,000,000	4,660,000,000
5,439,755,102	5,326,221,279	5,439,755,102	5,326,221,279
147,459,396,138	122,393,147,819	146,270,580,076	121,633,914,771

Outside Bangladesh

-	-	-	-
147,459,396,138	122,393,147,819	146,270,580,076	121,633,914,771

b) Bills purchased and discounted

Inside Bangladesh

Local bills purchased and discounted
Foreign bills /documents purchased and discounted

3,544,753,268	4,311,058,588	3,544,753,268	4,311,058,588
1,283,652,546	224,813,447	1,283,652,546	224,813,447
4,828,405,814	4,535,872,035	4,828,405,814	4,535,872,035

Outside Bangladesh

-	-	-	-
4,828,405,814	4,535,872,035	4,828,405,814	4,535,872,035
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806

8.1 Maturity grouping of loans and advances including bills purchased & discounted

Repayable

On demand
Within 1 month
More than 1 month but not more than 3 months
More than 3 months but not more than 1 year
More than 1 year but not more than 5 years
More than 5 years

3,007,231,441	2,511,080,717	3,007,231,441	2,511,080,717
13,682,903,058	11,746,733,261	13,682,903,058	11,425,417,263
30,072,314,415	25,110,807,172	30,072,314,415	25,110,807,172
37,590,393,020	31,388,508,966	37,590,393,020	31,388,508,966
45,108,471,624	37,666,210,759	45,108,471,624	37,666,210,759
22,826,488,394	18,505,678,979	21,637,672,332	18,067,761,929
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806

Howladar Yunus & Co.

8.2 Loans and advances including bills purchased and discounted classified into In Bangladesh

Loans

Cash credit

Overdraft

Bills Purchased and discounted

Outside Bangladesh

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
78,331,911,948	70,392,796,432	77,143,095,886	69,633,563,384
39,065,337,338	29,767,081,311	39,065,337,338	29,767,081,311
30,062,146,852	22,233,270,076	30,062,146,852	22,233,270,076
147,459,396,138	122,393,147,819	146,270,580,076	121,633,914,771
4,828,405,814	4,535,872,035	4,828,405,814	4,535,872,035
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806

8.3 Loans and advances on the basis of significant concentration

8.3.1 Loans and advances to directors , executives and others

Advances to directors and their allied concerns

Advances to CEO , senior executives and other staffs

Advances to customers (Group wise)

Industrial advances

Other customers

366,414,740	144,718,000	366,414,740	144,718,000
1,029,628,000	874,850,000	1,029,628,000	874,850,000
30,656,528,439	27,037,385,452	30,656,528,439	27,037,385,452
44,495,031,320	36,654,480,830	44,495,031,320	36,654,480,830
75,740,199,453	62,217,585,572	74,551,383,391	61,458,352,524
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806

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

Total loans and advances (Funded & non- funded)*

No. of customers

Classified amount thereon

Measures taken for recovery of classified loans

74,378,800,000

24,763,300,000

16

6

-

-

N/A

N/A

*The amount represents the sum of total loans and advances to each customers exceeding 10% of total capital of the Bank (i.e. Tk.277.05 crore being 10% of total capital of Tk. 2,7705.46 crore) as at December 31, 2013.

(For details, Annexure - C may kindly be seen)

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

Agriculture

Term loan to small cottage industries

Term loan to large & medium industries

Working capital to industry

Export credit

Trade finance

Consumer credit

Credit card

Others

1,638,554,101	1,225,551,743	1,638,554,101	1,225,551,743
664,713,115	800,682,711	664,713,115	800,682,711
33,068,436,889	22,798,465,277	33,068,436,889	22,798,465,277
30,263,323,198	20,649,514,427	30,263,323,198	20,649,514,427
6,757,696,376	6,864,601,835	6,757,696,376	6,864,601,835
42,347,138,443	38,112,222,608	42,347,138,443	38,112,222,608
2,395,370	2,680,065	2,395,370	2,680,065
1,114,650,298	871,808,014	1,114,650,298	871,808,014
36,430,894,162	35,603,493,174	35,242,078,100	34,844,260,126
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806

8.3.4 Geographical location-wise concentration of Loans and advances

Inside Bangladesh

Dhaka Division

Chittagong Division

Khulna Division

Sylhet Division

Rangpur Division

Barisal Division

Rajshahi Division

94,670,255,585	79,430,958,553	93,481,439,523	78,671,725,505
41,440,140,382	32,696,592,505	41,440,140,382	32,696,592,505
4,659,752,794	3,480,395,742	4,659,752,794	3,480,395,742
1,213,198,733	1,242,580,948	1,213,198,733	1,242,580,948
1,833,385,641	2,001,295,181	1,833,385,641	2,001,295,181
1,588,943,344	1,235,790,723	1,588,943,344	1,235,790,723
6,882,125,473	6,841,406,202	6,882,125,473	6,841,406,202
152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806

Outside Bangladesh

152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806
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Howladar Yunus & Co.

	Group		Bank	
	2013	2012	2013	2012
	Taka	Taka	Taka	Taka
8.4 Classified, unclassified, doubtful and bad loans & advances				
Unclassified				
Standard	146,058,925,878	119,081,130,854	144,870,109,816	118,321,897,806
Special Mention Accounts	1,330,047,000	2,399,353,000	1,330,047,000	2,399,353,000
	147,388,972,878	121,480,483,854	146,200,156,816	120,721,250,806
Classified				
Sub-standard	1,105,598,335	1,285,749,000	1,105,598,335	1,285,749,000
Doubtful	339,671,000	380,018,000	339,671,000	380,018,000
Bad/Loss	3,453,559,739	3,782,769,000	3,453,559,739	3,782,769,000
	4,898,829,074	5,448,536,000	4,898,829,074	5,448,536,000
	152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806
8.5 Particulars of loans and advances				
i) Debts considered good in respect of which the Bank is fully secured.	113,856,974,339	96,257,783,682	112,668,158,277	95,498,550,634
ii) Debts considered good for which the Bank holds no other security than the debtor's personal guarantee.	10,569,833,548	11,088,505,449	10,569,833,548	11,088,505,449
iii) Debts considered good and secured by the personal undertaking of one or more parties in addition to the personal guarantee of the debtors.	27,860,994,065	19,582,730,723	27,860,994,065	19,582,730,723
iv) Debts adversely classified and no provision is created thereagainst.	-	-	-	-
	152,287,801,952	126,929,019,854	151,098,985,890	126,169,786,806
v) Debts due by directors or officers of the Bank or any of them either jointly or severally with any other persons.	1,396,042,740	1,019,568,000	1,396,042,740	1,019,568,000
vi) Debts due by companies and firms in which the directors of the Bank have interests as directors, partners or managing agent or in case of private companies as members.	366,414,740	144,718,000	366,414,740	144,718,000
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 separately or jointly with any other persons.	1,396,042,740	1,019,568,000	1,396,042,740	1,019,568,000
viii) Maximum total amount of advances, including temporary advances, granted during the period to the companies or firms in which the directors of the Bank have interests as directors, partners or managing agents or, in case of private companies as members.	366,414,740	144,718,000	366,414,740	144,718,000
ix) Due from banking companies	-	-	-	-
x) Information in respect of classified loans and advances				
a) Classified loans for which interest not credited to income	4,898,829,074	5,448,536,000	4,898,829,074	5,448,536,000
b) Provision kept against classified loans and advances (Note- 13.2a)	1,461,481,180	1,422,642,153	1,461,481,180	1,422,642,153
c) Interest credited to interest suspense account (Note 13.3)	2,203,179,890	621,024,141	2,203,179,890	621,024,141
xi) Cumulative amount of written off loans				
Opening Balance	14,458,741,000	10,728,775,000	14,458,741,000	10,728,775,000
Amount written off during the year	3,419,974,000	3,916,447,000	3,419,974,000	3,916,447,000
Prior year adjustment	-	-	-	-
Amount recovered /provision released during the year against written off loans	(421,161,000)	(112,612,000)	(421,161,000)	(112,612,000)
Waiver for final settlement	(269,826,000)	(73,869,000)	(269,826,000)	(73,869,000)
Balance of written off loans and advances yet to be recovered	17,187,728,000	14,458,741,000	17,187,728,000	14,458,741,000
The amount of classified and written off loans for which law suits have been filed	27,082,859,000	20,777,900,000	27,082,859,000	20,777,900,000

Howladar Yunus & Co.

8.6 Bills purchased & discounted (On the basis of the residual maturity grouping) Payable

Within 1 month
Over 1 month but less than 3 months
Over 3 months but less than 6 months
Over 6 months

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
804,734,302	755,978,673	804,734,302	755,978,673
1,609,468,605	1,511,957,345	1,609,468,605	1,511,957,345
2,414,202,907	2,267,936,018	2,414,202,907	2,267,936,018
-	-	-	-
4,828,405,814	4,535,872,035	4,828,405,814	4,535,872,035

9 Fixed assets including land, buildings, furniture and fixtures Cost/ Revaluation

Land
Building
Furniture and fixtures
General equipment
Computer equipment
Vehicles
Vehicles (Leased)
Books

Less: Accumulated depreciation
Net book value at the end of the year
Subsidiary companies balance

664,709,050	557,134,117	664,709,050	557,134,117
1,115,956,860	728,078,685	1,115,956,860	728,078,685
799,148,540	607,744,087	799,148,540	607,744,087
754,877,280	625,799,115	754,877,280	625,799,115
567,228,922	526,369,436	567,228,922	526,369,436
207,649,460	194,065,170	207,649,460	194,065,170
33,059,000	33,059,000	33,059,000	33,059,000
1,394,734	1,390,734	1,394,734	1,390,734
4,144,023,846	3,273,640,344	4,144,023,846	3,273,640,344
1,507,434,471	1,271,258,232	1,507,434,471	1,271,258,232
2,636,589,375	2,002,382,112	2,636,589,375	2,002,382,112
38,690,966	32,681,827	-	-
2,675,280,341	2,035,063,939	2,636,589,375	2,002,382,112

(For details Annexure - A may kindly be seen)

10 Other assets

Income generating
Non- income generating

Notes

10.1	-	-	-	-
10.2	2,436,388,267	3,031,776,078	3,691,299,372	4,121,205,108
	2,436,388,267	3,031,776,078	3,691,299,372	4,121,205,108

10.1 Income generating

10.2 Non- income generating

Stock of stationery
Stamps on hand
Suspense account
Advance deposits
Interest and other receivables
Sundry assets
Demand draft paid without advice
Bill purchased account - credit card
Inter branch adjustment account (Net)
Payment made against claim made by EBL for
guarantee issued by BCCI
Advance against cash assistance
Advance against branches *
Advance against NBL Towers
Advance against fixed assets
Others

33,920,423	25,254,437	33,920,423	25,254,437
2,375,148	1,965,149	2,375,148	1,965,149
189,443,607	399,699,925	189,443,607	399,699,925
5,202,204	4,842,351	5,202,204	4,842,351
1,257,168,728	1,425,731,778	2,653,940,388	2,656,506,460
397,278,840	408,567,170	397,278,840	408,567,170
16,716,154	11,854,720	16,716,154	11,854,720
417,643,714	528,655,517	417,643,714	528,655,517
(634,022,440)	(562,162,467)	(634,022,440)	(562,162,467)
13,683,225	13,683,225	13,683,225	13,683,225
9,510,000	5,147,000	9,510,000	5,147,000
4,133,860	22,137,179	4,133,860	22,137,179
319,674,273	362,871,960	319,674,273	362,871,960
233,717,826	236,200,152	233,717,826	236,200,152
169,942,705	147,327,982	28,082,150	5,982,330
2,436,388,267	3,031,776,078	3,691,299,372	4,121,205,108

* Amount represents advance against new branches and for repair, renovation & maintenance of existing branches.

10.3 Suspense account

Sundry debtors
Advance against TA/DA
Advance against postage
Encashment of PSP/ BSP
Encashment of WEDB
Demand draft cancelled

87,243,233	318,537,983	87,243,233	318,537,983
279,000	1,113,988	279,000	1,113,988
6,651	12,545	6,651	12,545
45,360,449	29,129,257	45,360,449	29,129,257
56,553,024	50,745,852	56,553,024	50,745,852
1,250	160,300	1,250	160,300
189,443,607	399,699,925	189,443,607	399,699,925

Howladar Yunus & Co.

		Group		Bank	
		2013	2012	2013	2012
		Taka	Taka	Taka	Taka
10.4 Sundry assets					
Cash remittance		82,000,100	42,614,900	82,000,100	42,614,900
Advance rent		282,645,845	335,331,001	282,645,845	335,331,001
Clearing adjustment account		294,350	294,350	294,350	294,350
Protested bill		12,900,000	12,900,000	12,900,000	12,900,000
Fractional stock dividend		940	940	940	940
Unexpired insurance premium		19,437,605	17,425,979	19,437,605	17,425,979
		397,278,840	408,567,170	397,278,840	408,567,170
10.5 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, the same has been adjusted subsequently.					
11 Borrowings from other Banks, Financial Institutions and Agents					
In Bangladesh	11.1	3,322,119,629	12,885,856,016	3,322,119,629	12,885,856,016
Outside Bangladesh	11.2	-	-	-	-
		3,322,119,629	12,885,856,016	3,322,119,629	12,885,856,016
11.1 In Bangladesh					
Export Development Fund (EDF)		2,948,122,059	3,304,940,450	2,948,122,059	3,304,940,450
Agricultural Credit on Special Program		258,997,570	296,205,566	258,997,570	296,205,566
Bangladesh Bank		-	9,284,710,000	-	9,284,710,000
ADB Loan		115,000,000	-	115,000,000	-
		3,322,119,629	12,885,856,016	3,322,119,629	12,885,856,016
11.2 Outside Bangladesh		-	-	-	-
11.3 Security wise breakup of borrowings from other Banks, Financial Institutions and Agents					
Secured borrowings		-	-	-	-
Unsecured borrowings		3,322,119,629	12,885,856,016	3,322,119,629	12,885,856,016
		3,322,119,629	12,885,856,016	3,322,119,629	12,885,856,016
11.4 Maturity grouping of Borrowings					
Repayable					
On demand		-	9,284,710,000	-	9,284,710,000
Within 1 month		1,474,061,030	2,147,642,669	1,474,061,030	2,147,642,669
Over 1 month but not more than 3 months		1,848,058,600	1,453,503,347	1,848,058,600	1,453,503,347
Over 3 months but not more than 1 year		-	-	-	-
Over 1 year but not more than 5 years		-	-	-	-
Over 5 years		-	-	-	-
		3,322,119,629	12,885,856,016	3,322,119,629	12,885,856,016
12 Deposits and other accounts					
Current deposits and other accounts	12.2	19,115,368,844	17,125,872,571	19,121,953,740	17,140,389,788
Bills payable	12.3	2,225,679,010	2,025,057,936	2,225,679,010	2,025,057,936
Saving deposits		24,921,946,124	22,921,243,417	24,921,946,124	22,921,243,417
Fixed deposits		92,814,097,206	76,320,321,649	92,814,097,206	76,320,321,649
Term deposits	12.4	53,222,103,744	37,904,753,384	54,559,292,756	38,924,719,404
		192,299,194,928	156,297,248,957	193,642,968,836	157,331,732,194

The Bank Management advised to various branches to take necessary steps for depositing the amount of unclaimed deposits through head office after following the Bangladesh Bank guideline. During the year we have deposited amounting Tk.16,165,391.32 to Bangladesh Bank.

Howladar Yunus & Co.

12.1 Deposits from banks (Inside Bangladesh) Other than banks

12.2 Current deposits and other accounts

Current deposits
Foreign currency deposits
Exchange Company Taka Account
Exporters' Foreign Currencies Account
Sundry deposits

12.3 Bills payable

Payment order
Demand draft
Others

12.4 Term deposits

Short notice deposits
Non Resident foreign currency deposits
Resident foreign currency deposits
Non Resident Investment Taka A/c
Monthly saving scheme
Special deposit scheme

12.5 Deposits from banks (Inside Bangladesh)

In current account

Al-Arafah Islami Bank Limited
Bangladesh Commerce Bank Limited
Bangladesh Krishi Bank Limited
Dutch Bangla Bank Limited
Eastern Bank Limited
EXIM Bank Limited
HSBC Limited
Islami Bank Bangladesh Limited
Jamuna Bank Limited
Mercantile Bank Limited
Prime Bank Limited
Rajshahi Krishi Unnayan Bank
Shahjalal Islami Bank Limited
Southeast Bank Limited
ICB Islamic Bank Limited

12.5

Group		Bank	
2013 Taka	2012 Taka	2013 Taka	2012 Taka
8,957,753,107	3,833,290,167	8,957,753,107	3,833,290,167
183,341,441,821	152,463,958,790	184,685,215,729	153,498,442,027
192,299,194,928	156,297,248,957	193,642,968,836	157,331,732,194
9,878,764,148	9,787,077,932	9,878,764,148	9,787,077,932
407,162,888	303,514,114	407,162,888	303,514,114
543,114,753	491,573,862	549,699,649	506,091,079
206,362,936	202,196,021	206,362,936	202,196,021
8,079,964,119	6,341,510,642	8,079,964,119	6,341,510,642
19,115,368,844	17,125,872,571	19,121,953,740	17,140,389,788
1,989,676,662	1,786,617,132	1,989,676,662	1,786,617,132
236,002,348	238,440,804	236,002,348	238,440,804
-	-	-	-
2,225,679,010	2,025,057,936	2,225,679,010	2,025,057,936
12,296,743,876	9,389,918,546	13,633,932,888	10,409,884,566
58,968,662	60,263,337	58,968,662	60,263,337
172,479,846	163,098,928	172,479,846	163,098,928
185,599	185,599	185,599	185,599
20,925,288,403	17,397,411,876	20,925,288,403	17,397,411,876
19,768,437,358	10,893,875,098	19,768,437,358	10,893,875,098
53,222,103,744	37,904,753,384	54,559,292,756	38,924,719,404
48,729,000	2,664,015	48,729,000	2,664,015
44,818	45,968	44,818	45,968
1,103,116	2,153,977	1,103,116	2,153,977
20,875	27,025	20,875	27,025
-	520,286	-	520,286
7,501,117	42,800,387	7,501,117	42,800,387
5,338,790	2,408,056	5,338,790	2,408,056
174,689,674	272,898,278	174,689,674	272,898,278
12,383,086	26,570,036	12,383,086	26,570,036
17,091,230	54,265	17,091,230	54,265
45,665	3,045,665	45,665	3,045,665
1,029,917	-	1,029,917	-
22,414	24,334	22,414	24,334
1,611,000	353,305	1,611,000	353,305
-	283,766	-	283,766
269,610,702	353,849,363	269,610,702	353,849,363

Howladar Yunus & Co.

In short notice deposits accounts

Bank Asia Limited
BRAC Bank Limited
Dhaka Bank Limited
Dutch-Bangla Bank Limited
Eastern Bank Limited
EXIM Bank Limited
Jamuna Bank Limited
Janata Bank Limited
Mercantile Bank Limited
Prime Bank Limited
Pubali Bank Limited
Standard Bank Limited
Rajshahi Krishi Unnayan Bank
Standard Chartered Bank
The Premier Bank Limited

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
774,000	932,809	774,000	932,809
16,138,823	9,590,426	16,138,823	9,590,426
104,000	250,088	104,000	250,088
22,149,759	78,868,819	22,149,759	78,868,819
498,000	477,902	498,000	477,902
5,845,727	8,845,776	5,845,727	8,845,776
967,759	12,675,966	967,759	12,675,966
34,987	34,700	34,987	34,700
28,537,901	17,583,390	28,537,901	17,583,390
15,467,000	30,695,174	15,467,000	30,695,174
349,000	334,890	349,000	334,890
2,601	3,601	2,601	3,601
2,164,015,053	436,996,309	2,164,015,053	436,996,309
3,257,000	3,069,115	3,257,000	3,069,115
3,712,795	2,675,194	3,712,795	2,675,194
2,261,854,405	603,034,159	2,261,854,405	603,034,159

Term deposits accounts

Rajshahi Krishi Unnayan Bank
Agrani Bank Limited
The Farmers Bank Limited
Dutch Bangla Bank Limited
Bangladesh Development Bank Ltd.
Meghna Commercial Bank Ltd.

616,288,000	376,406,645	616,288,000	376,406,645
2,000,000,000	-	2,000,000,000	-
1,000,000,000	-	1,000,000,000	-
2,500,000,000	2,500,000,000	2,500,000,000	2,500,000,000
10,000,000	-	10,000,000	-
300,000,000	-	300,000,000	-
6,426,288,000	2,876,406,645	6,426,288,000	2,876,406,645
8,957,753,107	3,833,290,167	8,957,753,107	3,833,290,167

12.6 Residual maturity grouping of deposits

From Banks

Repayable

On demand
Within 1 month
Over 1 month but within 6 months
Over 6 months but within 1 year
Over 1 year but within 5 years
Over 5 years but within 10 years

269,610,702	353,849,363	269,610,702	353,849,363
1,024,242,000	2,876,406,645	1,024,242,000	2,876,406,645
7,615,900,405	603,034,159	7,615,900,405	603,034,159
48,000,000	-	48,000,000	-
-	-	-	-
-	-	-	-
8,957,753,107	3,833,290,167	8,957,753,107	3,833,290,167

From others

Repayable

On demand
Within 1 month
Over 1 month but within 6 months
Over 6 months but within 1 year
Over 1 year but within 5 years
Over 5 years but within 10 years

10,603,132,997	13,575,676,676	10,603,132,997	13,575,676,676
20,982,547,606	16,499,488,657	20,982,547,606	16,499,488,657
24,487,772,013	32,279,357,765	24,487,772,013	32,279,357,765
38,537,212,729	32,908,019,660	38,537,212,729	32,908,019,660
62,020,310,063	43,392,938,164	62,020,310,063	43,392,938,164
26,710,466,413	13,808,477,868	26,710,466,413	13,808,477,868
183,341,441,821	152,463,958,790	183,341,441,821	152,463,958,790
192,299,194,928	156,297,248,957	192,299,194,928	156,297,248,957

Howladar Yunus & Co.

		Group		Bank	
		2013	2012	2013	2012
		Taka	Taka	Taka	Taka
13 Other liabilities	Notes				
Un-paid dividend		10,009,092	10,009,092	10,009,092	10,009,092
Provision for bonus		191,234,393	284,224,044	191,234,393	284,224,044
Tax liability	13.1	1,005,573,007	1,645,662,948	958,583,406	1,606,430,375
Provision for loans and advances (Incl Off-B/S items)	13.2	3,687,773,369	3,313,934,342	3,687,773,369	3,313,934,342
Interest suspense account	13.3	2,203,179,890	621,024,141	2,203,179,890	621,024,141
Provision for other classified assets	13.4	504,151,229	332,192,379	90,266,450	40,266,450
Provision for gratuity	13.5	50,000,000	50,000,000	50,000,000	50,000,000
Deferred Tax Liabilities/(Assets)	13.6	43,183,424	33,538,971	42,179,545	33,856,645
ATM card holders' accounts		35,500	35,500	35,500	35,500
Foreign currencies adjustment account		1,353,272,709	1,309,534,358	1,353,272,709	1,309,534,358
Bills payable account MPS (CCD)		9,583,346	25,153,296	9,583,346	25,153,296
Adjusting account credit		3,529,838,415	2,642,558,722	3,529,838,415	2,642,558,722
Provision for LFA		88,492,288	87,494,882	88,492,288	87,494,882
Obligation under finance lease		15,418,921	23,473,507	15,418,921	23,473,507
Clearing adjusting account		128,327	138,357	128,327	138,357
Others		796,821,207	210,839,192	49,076,292	67,340,795
		13,488,695,117	10,569,813,731	12,279,071,943	10,115,474,506
13.1 Tax liability					
Provision for tax					
Opening balance		9,598,163,419	7,778,053,169	9,528,089,324	7,748,089,324
Adjustment made during the year		-	-	-	-
Provision made during the year		1,372,757,028	1,820,110,250	1,365,000,000	1,780,000,000
		10,970,920,447	9,598,163,419	10,893,089,324	9,528,089,324
Advance income tax					
Opening balance		7,952,500,471	4,854,569,715	7,921,658,949	4,823,728,193
Adjustment made during the year		-	-	-	-
Paid during the year		2,012,846,969	3,097,930,756	2,012,846,969	3,097,930,756
		9,965,347,440	7,952,500,471	9,934,505,918	7,921,658,949
		1,005,573,007	1,645,662,948	958,583,406	1,606,430,375

13.1.1 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 year 1991-92, 1992-93 pending in honourable Highcourt Division due to appeal filed by the DCT. We have made appeal to the honorable High Court for the year 2010 and to the Appellate Tribunal (Appeal) for the year 2011 against chages of excess profit tax. Persuasion is continued by the management to get such order in favor of the Bank. Adequate provisions for those assessment years have been made in the books of account. If any further provision is required will be made upon receipt of final assessment order.

Howladar Yunus & Co.

	Group		Bank	
	2013 Taka	2012 Taka	2013 Taka	2012 Taka
13.2 Provision for loans and advances (including off B/S items)				
(a) Specific provision against loans & advances				
Opening balance	1,422,642,153	1,166,789,673	1,422,642,153	1,166,789,673
Fully provided debt written off	-	-	-	-
Waiver during the year	(81,552,503)	(125,925,022)	(81,552,503)	(125,925,022)
Release of Provision	456,534,530	112,377,502	456,534,530	112,377,502
Adjustment/recov. in kinds on account of properties	(1,143,000)	(600,000)	(1,143,000)	(600,000)
Transfer to general provision unclassified loans	(113,000,000)	-	(113,000,000)	-
Transfer to general provision off-B/S items	(222,000,000)	-	(222,000,000)	-
Provision made during the year	-	270,000,000	-	270,000,000
	1,461,481,180	1,422,642,153	1,461,481,180	1,422,642,153
(b) General provision against unclassified loans & advances-(Including provision for OBU)				
Opening balance	1,450,782,141	1,270,782,141	1,450,782,141	1,270,782,141
Transferred from specific provision	113,000,000	-	113,000,000	-
Provision made during the year	-	180,000,000	-	180,000,000
	1,563,782,141	1,450,782,141	1,563,782,141	1,450,782,141
(c) General provision against Off Balance Sheet Items-(Including provision for OBU)				
Opening balance	440,510,048	440,510,048	440,510,048	440,510,048
Transferred from specific provision	222,000,000	-	222,000,000	-
Provision made during the year	-	-	-	-
	662,510,048	440,510,048	662,510,048	440,510,048
Total (a) + (b) +(c)	3,687,773,369	3,313,934,342	3,687,773,369	3,313,934,342
13.3 Interest suspense account				
Opening balance	621,024,141	574,576,556	621,024,141	574,576,556
Amount transferred during the year	2,526,135,039	1,083,431,379	2,526,135,039	1,083,431,379
Amount recovered and credited to income	(519,264,700)	(249,518,151)	(519,264,700)	(249,518,151)
Amount of Interest waived during the year	(3,223,280)	-	(3,223,280)	-
Written off during the year	(421,491,310)	(787,465,643)	(421,491,310)	(787,465,643)
	2,203,179,890	621,024,141	2,203,179,890	621,024,141
13.4 Provision for other classified assets				
Provision for fall in market price of shares				
Opening balance	291,925,929	132,784,892	-	-
Addition/adjustment during the year	171,958,850	159,141,037	50,000,000	-
	463,884,779	291,925,929	50,000,000	-
Provision for other classified assets				
Opening balance	40,266,450	40,266,450	40,266,450	40,266,450
Transferred from specific provision	-	-	-	-
Provision made during the year	-	-	-	-
	40,266,450	40,266,450	40,266,450	40,266,450
	504,151,229	332,192,379	90,266,450	40,266,450
13.5 Provision for gratuity				
We have maintained provision for gratuity as per the approved schedule of Bangladesh Bank vide its letter no. DBI- 1 (Private) / 82 / 2008-257 dated 20/02/08. As per approval of Bangladesh Bank no amount was disbursed from the Fund Account and accumulated interest has increased the fund position. The fund account is administered by a Board of Trustee consisting of four (4) members. Total Fund balance as on December 2013 stood Tk. 60.95 crore considering contribution to be made for the year 2013 against which Fund liability stood on the same date was Tk. 86.05 crore. We have applied to Bangladesh Bank vide letter No.NBL/FAD/2014 dated February 20, 2014 to continue to the current practice i.e. payment to the outgoing members by debiting the Bank account and no provision will be made till 2016 and interest earn on such fund will be accumulated so that the Fund balance stood at a reasonable position to pay the out going members. Bangladesh Bank vide letter DBI-1(DGM-4)/82/2014-689 dated 18.03.2014 has approved for keeping shortfall of provision by 2016 equally. The movement is as under:				
Opening Balance	50,000,000	45,000,000	50,000,000	45,000,000
Provision made during the year	50,000,000	50,000,000	50,000,000	50,000,000
	100,000,000	95,000,000	100,000,000	95,000,000
Amount transferred to fund account	(50,000,000)	(45,000,000)	(50,000,000)	(45,000,000)
	50,000,000	50,000,000	50,000,000	50,000,000

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13.6 Deferred Tax (Assets)/Liabilities

Deferred Tax Assets:

	2013 Taka	2012 Taka	2013 Taka	2012 Taka
Opening Balance	57,917,640	42,104,974	57,599,966	41,787,300
Addition during the year	13,093,437	15,812,666	13,093,437	15,812,666
Adjustment made during the year	71,011,077	57,917,640	70,693,403	57,599,966
Closing Balance	-	-	-	-
	<u>71,011,077</u>	<u>57,917,640</u>	<u>70,693,403</u>	<u>57,599,966</u>

Deferred Tax Liabilities

	2013 Taka	2012 Taka	2013 Taka	2012 Taka
Opening Balance	91,456,611	68,360,746	91,456,611	68,360,746
Addition during the year	22,737,890	23,095,865	21,416,337	23,095,865
Adjustment made during the year	114,194,501	91,456,611	112,872,948	91,456,611
Closing Balance	-	-	-	-
	<u>114,194,501</u>	<u>91,456,611</u>	<u>112,872,948</u>	<u>91,456,611</u>
Net Deferred Tax (Assets)/Liabilities	<u>43,183,424</u>	<u>33,538,971</u>	<u>42,179,545</u>	<u>33,856,645</u>

14 Share capital

14.1 Authorized capital

1,750,000,000 ordinary shares of Tk. 10.00 each

17,500,000,000	17,500,000,000
<u>17,500,000,000</u>	<u>17,500,000,000</u>

14.2 Issued, subscribed and fully paid up capital

	No of Shares			
	2013	2012		
Issued for cash	23,730,000	23,730,000	237,300,000	237,300,000
Issued for other than cash (Bonus Share)	1,395,873,244	1,395,873,244	13,958,732,440	13,958,732,440
Total	<u>1,419,603,244</u>	<u>1,419,603,244</u>	<u>14,196,032,440</u>	<u>14,196,032,440</u>

14.3 Shareholding pattern

Description	No. of Shares	Taka	Percentage (%)
Sponsors & Directors	426,509,877	4,265,098,770	30.04
Financial Institutions	198,255,933	1,982,559,330	13.97
Foreign Investors	38,549,899	385,498,990	2.72
Non- Resident Bangladeshi	7,376,751	73,767,510	0.52
General Public	748,910,784	7,489,107,840	52.75
	<u>1,419,603,244</u>	<u>14,196,032,440</u>	<u>100.00</u>

Howladar Yunus & Co.

Group		Bank	
2013	2012	2013	2012
<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>

14.4 Statement of slab list as on December 31, 2013

Group / Type	No. of Share Holder	No. of Shares	(%) of Share Holding
De - materialization	116,734	1,365,057,941	96.15
Materialization	4,616	54,545,303	3.85
	121,350	1,419,603,244	100.00

De - materialization

Range	No. of Shareholders	No. of Shares	(%) of Share Holding
Less than 500	40,763	7,468,781	0.53
500 - 5,000	59,105	108,048,341	7.61
5,001 -10,000	8,524	63,126,263	4.45
10,001- 20,000	4,492	64,820,496	4.57
20,001 - 30,000	1,403	34,626,717	2.44
30,001- 40,000	671	23,350,660	1.64
40,001 -50,000	423	19,372,442	1.36
50,001-1,00,000	697	49,427,383	3.48
1,00,001 -10,00,000	541	144,592,336	10.19
10,00,001 - Above	115	850,224,522	59.88
Total	116,734	1,365,057,941	96.15

Materialization

Range	No. of Shareholders	No. of Shares	(%) of Share Holding
Less than 500	2,615	383,953	0.03
500 - 5,000	1,537	2,860,081	0.20
5,001 - 10,000	196	1,372,033	0.10
10,001 - 20,000	118	1,732,513	0.12
20,001 - 30,000	52	1,238,042	0.09
30,001 - 40,000	26	905,005	0.06
40,001 - 50,000	15	663,196	0.05
50,001 - 1,00,000	22	1,511,111	0.11
1,00,001 - 10,00,000	27	8,187,598	0.58
10,00,001 - Above	8	35,691,771	2.51
Total	4,616	54,545,303	3.85
Grand Total	121,350	1,419,603,244	100.00

Howladar Yunus & Co.

	Group		Bank	
	2013 Taka	2012 Taka	2013 Taka	2012 Taka
14.5 Capital adequacy ratio	Notes			
Tier – I (Core Capital)				
Paid up capital	14,196,032,440	14,196,032,440	14,196,032,440	14,196,032,440
Statutory reserve	7,411,663,610	6,713,680,908	7,411,663,610	6,713,680,908
General reserve	17,800,819	50,132,892	-	-
Non-contring interest	95,880	83,639	-	-
Retained earnings as per profit and loss account	1,290,340,814	770,633,905	1,421,011,380	854,165,420
	22,915,933,563	21,730,563,784	23,028,707,430	21,763,878,768
Tier –II (Supplementary Capital)				
General provision against UC loan	13.2(b) 1,563,782,141	1,450,782,141	1,563,782,141	1,450,782,141
General provision against Off-B/S items	13.2(c) 662,510,048	440,510,048	662,510,048	440,510,048
Subordinated Bond	2,000,000,000	2,500,000,000	2,000,000,000	2,500,000,000
Other reserve (10% of equity reserve & 50% of other reserve)	450,464,852	305,193,640	450,464,852	305,193,640
	4,676,757,041	4,696,485,829	4,676,757,041	4,696,485,829
A. Total capital	27,592,690,604	26,427,049,613	27,705,464,471	26,460,364,597
B. Total Risk Weighted Assets	237,194,000,000	206,559,200,000	236,911,200,000	206,732,400,000
C. Required Capital based on Risk Weighted Assets (10% on B)	23,719,400,000	20,655,920,000	23,691,120,000	20,673,240,000
D. Surplus/ (Deficiency) (A - C)	3,873,290,604	5,771,129,613	4,014,344,471	5,787,124,597
Capital adequacy ratio				
	Required	Actual		
On Core Capital	5.00%	9.66%	10.52%	9.72%
On Supplementary Capital	5.00%	1.97%	2.27%	1.97%
On Total Capital	10.00%	11.63%	12.79%	11.69%
				12.80%
Risk weighted Assets of the Bank has calculated as per BRPD circular No. 09 dated December 31, 2008 and BRPD circular No. 20 dated December 29, 2009. As per the circular full implementation of Basel-II has started with effect from January 2010 and calculated on solo and consolidated basis.				
15 Statutory reserve				
Balance on 01 January	6,713,680,908	6,058,641,682	6,713,680,908	6,058,641,682
Transferred from profit during the year	697,982,702	655,039,226	697,982,702	655,039,226
Balance at 31 December	7,411,663,610	6,713,680,908	7,411,663,610	6,713,680,908
16 General reserve				
Balance on 01 January	50,132,892	497,723,327	-	497,723,327
Transferred during the year (Overseas Subsidiaries)	11,662,500	50,132,892	-	-
Bonus shares issued by overseas subsidiaries	(43,994,573)	-	-	-
Transferred to retained earnings for appropriation	-	(497,723,327)	-	(497,723,327)
Balance at 31 December	17,800,819	50,132,892	-	-
17 Other reserve				
a) Revaluation reserve (Govt. Treasury Bill & Bonds)				
Balance on 01 January	213,122,124	168,181,440	213,122,124	168,181,440
Addition during the year	327,262,290	92,548,200	327,262,290	92,548,200
Adjustment during the year	(32,844,218)	(47,607,516)	(32,844,218)	(47,607,516)
Balance at 31 December	507,540,196	213,122,124	507,540,196	213,122,124
b) Revaluation reserve (Foreign Investment)				
Balance on 01 January	26,910,230	26,705,907	26,910,230	26,705,907
Addition during the year	(3,875,649)	204,323	(3,875,649)	204,323
Balance at 31 December	23,034,581	26,910,230	23,034,581	26,910,230
c) Revaluation reserve of equity instruments				
Balance on 01 January	-	613,788,972	-	613,788,972
Addition (Adjusted) during the year	-	(613,788,972)	-	(613,788,972)
Balance at 31 December	-	-	-	-
d) Revaluation reserve (Property)				
Balance on 01 January	370,354,926	437,924,309	370,354,926	437,924,309
Addition during the year	-	(67,569,383)	-	(67,569,383)
Balance at 31 December	370,354,926	370,354,926	370,354,926	370,354,926
	900,929,703	610,387,280	900,929,703	610,387,280

Revaluation of foreign investments has been made in 2013 as per BAS -21 " Effect of changes in Foreign Exchange Rates". On the other hand, Govt. treasury bill and bonds have been valued at market price as per Bangladesh Bank BRPD Circular No. 05 dated 31.10.2005.

Howladar Yunus & Co.

18 Retained earnings

Balance on 1 January
Profit for the year
Dividend (6% Cash in 2012 & 65% Bonus in 2011)
Transfer to statutory reserve
Transfer to general reserve (Overseas operation)
Cash Dividend paid by overseas subsidiaries
Transfer from general reserve for appropriation
Balance at 31 December

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
770,633,905	5,155,930,470	854,165,420	5,115,944,798
2,086,381,061	1,430,822,408	2,116,590,608	1,487,912,931
(851,761,946)	(5,592,376,410)	(851,761,946)	(5,592,376,410)
(697,982,702)	(655,039,226)	(697,982,702)	(655,039,226)
(11,662,500)	(50,132,892)	-	-
(5,267,004)	(16,293,772)	-	-
-	497,723,327	-	497,723,327
1,290,340,814	770,633,905	1,421,011,380	854,165,420

19 Letters of guarantee

Directors
Government
Banks and other financial institutions
Others
Margins

2,500,000	6,331,000	2,500,000	6,331,000
4,776,411,612	933,392,341	4,776,411,612	933,392,341
2,096,385,800	1,037,648,000	2,096,385,800	1,037,648,000
8,602,471,352	9,631,751,517	8,602,471,352	9,631,751,517
15,477,768,764	11,609,122,358	15,477,768,764	11,609,122,358
(599,927,084)	(468,302,997)	(599,927,084)	(468,302,997)
14,877,841,680	11,140,819,861	14,877,841,680	11,140,819,861

19.1 A case was filed by Eastern Bank Limited, successor of BCCI, against National Bank Limited (NBL) at Artha Rin Adalat - 3, Dhaka for guarantee issued by NBL in favour of EBL, which has been decreed against NBL on 04 January 2004 for Tk 2,73,66,450/- plus interest @ 18% p.a. from 01 October 1994 to the date of payment. Against the decreed amount, NBL has made an appeal which is pending in the Honourable High Court, Dhaka. Before filing the appeal, the Bank has paid TK 1,36,83,225/- being 50% of the principal decreed amount which is included under other assets in these Financial Statements. Provision for Tk. 1,36,83,225/- was made in 2006 and the balance of Tk. 1,36,83,225/- was made in 2007.

20 Interest income

Interest on advances
Interest on money at call and short notice
Interest on placement with other banks
Interest on foreign currency balances

18,870,742,827	18,805,594,738	18,806,416,561	18,824,806,969
11,206,772	61,915,062	11,206,772	61,915,062
107,202,834	213,434,077	107,202,834	213,434,077
10,035,679	3,023,160	10,035,679	3,023,160
18,999,188,112	19,083,967,037	18,934,861,846	19,103,179,268

21 Interest expenses

Interest on deposits
Interest on borrowings
Discount

15,361,132,988	12,450,180,703	15,361,175,160	12,465,004,889
576,673,101	743,087,811	576,673,101	743,087,811
228,287,582	471,568,451	228,287,582	471,568,451
16,166,093,671	13,664,836,965	16,166,135,843	13,679,661,151

22 Investment income

Dividend on shares
Local
Overseas
Interest on treasury bills and bonds
Interest on debenture & bond
Gain on Govt. Securities
Profit from sale of shares of listed company
Prize on prize bonds

205,599,227	180,734,029	202,285,184	180,734,029
24,871,410	22,803,766	24,871,410	22,803,766
230,470,637	203,537,795	227,156,594	203,537,795
4,514,979,992	3,469,942,442	4,514,979,992	3,469,942,442
144,070,085	-	144,070,085	-
249,930,643	551,381,327	249,930,643	551,381,327
87,770,323	36,966,284	76,776,156	27,997,395
108,000	90,000	108,000	90,000
5,227,329,680	4,261,917,848	5,213,021,470	4,252,948,959

Howladar Yunus & Co.

	Group		Bank	
	2013 Taka	2012 Taka	2013 Taka	2012 Taka
23 Commission, exchange and brokerage				
Commission	1,451,559,535	1,327,081,823	1,214,320,123	1,038,767,141
Exchange gain net off exchange losses	615,728,351	453,710,052	615,728,351	453,710,052
Brokerage	7,817,648	4,094,398	7,817,648	4,094,398
	2,075,105,534	1,784,886,273	1,837,866,122	1,496,571,591
24 Other operating income				
Rent				
Locker	5,606,573	5,395,336	5,606,573	5,395,336
Godown	2,312,974	2,258,687	2,312,974	2,258,687
	7,919,547	7,654,023	7,919,547	7,654,023
Credit card and ATM	81,687,840	91,146,210	81,687,840	91,146,210
Confirmation charges	60,233,193	18,156,727	60,233,193	18,156,727
Gain from sales of assets	144,711,046	108,393,856	144,711,046	108,393,856
Remittance income	53,444,242	51,136,922	53,444,242	51,136,922
Other receipts	700,247,325	636,132,281	687,856,952	592,454,591
	1,048,243,193	912,620,019	1,035,852,820	868,942,329
25 Salary and allowances				
Basic salary	1,203,320,742	1,174,746,341	1,132,433,318	1,105,227,244
Allowances	1,105,510,774	1,007,066,303	1,105,510,774	1,007,066,303
Bonus	242,421,263	374,848,446	242,421,263	374,848,446
Bank's contribution to provident fund	95,696,563	93,227,296	95,696,563	93,227,296
Gratuity				
Provision for the year	50,000,000	50,000,000	50,000,000	50,000,000
Paid during the year	74,002,000	71,188,160	74,002,000	71,188,160
	124,002,000	121,188,160	124,002,000	121,188,160
	2,770,951,342	2,771,076,546	2,700,063,918	2,701,557,449
26 Directors' fees and other benefits				
Fees	2,006,737	1,060,947	460,000	800,000
Other benefits				
Haltage , traveling and others	1,301,860	15,162,588	1,301,860	13,980,230
Refreshment	487,175	374,438	487,175	374,438
	1,789,035	15,537,026	1,789,035	14,354,668
	3,795,772	16,597,973	2,249,035	15,154,668
Each director is paid amounting Tk.5,000/- per Board meeting and per committee meeting attended as per BRPD circular No. 03 dated 18.01.2010.				
27 Rent, taxes, insurance, electricity etc.				
Rent, rates and taxes	306,285,028	272,299,871	272,316,111	239,086,987
Insurance	138,538,571	95,505,922	138,538,571	95,505,922
Electricity	83,423,620	87,861,587	83,423,620	87,861,587
	528,247,219	455,667,380	494,278,302	422,454,496
28 Legal expenses				
Law charges	33,679,073	17,086,814	33,679,073	17,086,814
Other professional charges	832,700	1,730,475	271,100	582,977
	34,511,773	18,817,289	33,950,173	17,669,791
29 Audit fees				
	1,391,721	953,110	425,000	400,000

Howladar Yunus & Co.

- 30 Postage, stamp and telecommunication
Telephone -office
Telegram, telex, fax and e-mail
Postage
Telephone - residence

- 31 Stationery, printing, advertisement, etc.
Printing and stationery
Publicity and advertisement

- 32 Managing Director's salary and allowances
Basic salary
Allowance
Bonus
Bank's contribution to provident fund

- 33 Repairs, maintenance and depreciation
Depreciation (Annexure 'A')

- Buildings
Furniture and fixture
General equipments
Computer equipments
Vehicles
Vehicles (Under Lease)
Books

Repairs & maintenance

- Office Premises
Furniture and fixture
Vehicles
Equipments

- 34 Other expenses

- Car expenses
Credit card expenses
Entertainment
Traveling expenses
Donations
Subscriptions
Periodicals
Cartage/freight
Medical expense
Overseas expenses
Uniform & liveries
Training expenses
Loss on sale of share/ property/ asset
Miscellaneous

Group		Bank	
2013	2012	2013	2012
Taka	Taka	Taka	Taka
20,448,608	18,267,104	17,655,520	16,506,580
39,420,255	34,998,694	39,420,255	34,998,694
21,199,378	16,300,114	21,199,378	16,300,114
848,936	830,289	848,936	830,289
81,917,177	70,396,201	79,124,089	68,635,677
97,435,124	104,627,619	93,333,503	100,676,589
18,599,561	15,472,430	18,599,561	15,472,430
116,034,685	120,100,049	111,933,064	116,149,019
5,022,581	5,400,000	5,022,581	5,400,000
3,906,452	4,200,000	3,906,452	4,200,000
900,000	900,000	900,000	900,000
502,258	540,000	502,258	540,000
10,331,291	11,040,000	10,331,291	11,040,000
20,789,285	17,496,502	20,789,285	17,224,204
59,705,019	53,219,803	59,705,019	49,488,676
92,628,183	78,405,024	92,628,183	77,263,083
67,730,374	87,538,310	67,730,374	86,532,291
21,038,474	18,852,881	21,038,474	18,334,372
6,611,800	6,611,800	6,611,800	6,611,800
92,167	115,961	92,167	115,961
268,595,302	262,240,281	268,595,302	255,570,387
22,202,295	15,954,566	22,202,295	15,954,566
6,836,852	17,498,573	3,628,180	3,807,365
3,628,180	3,807,365	6,836,852	7,415,224
85,298,792	46,460,571	67,745,145	46,460,571
117,966,119	83,721,075	100,412,472	73,637,726
386,561,421	345,961,356	369,007,774	329,208,113
80,618,840	79,208,200	80,618,840	79,208,200
98,868,201	91,615,254	98,868,201	91,615,254
66,173,573	63,753,961	66,173,573	63,753,961
24,894,160	37,950,464	24,894,160	37,950,464
137,868,288	38,951,287	137,868,288	38,951,287
4,055,971	4,079,219	4,055,971	4,079,219
2,026,138	1,657,275	2,026,138	1,657,275
23,156,379	20,892,207	23,156,379	20,892,207
15,196,783	12,126,532	15,196,783	12,126,532
1,288,162	1,131,845	1,288,162	1,131,845
8,369,518	7,271,381	8,369,518	7,271,381
6,837,361	7,493,501	6,837,361	7,493,501
70,556	152,730	70,556	152,252
117,587,083	935,390,971	27,008,071	867,956,820
587,011,013	1,301,674,827	496,432,001	1,234,240,198

Howladar Yunus & Co.

35 Changes in other Assets

Balance at the beginning of the year

	2013 <u>Taka</u>	2012 <u>Taka</u>	2013 <u>Taka</u>	2012 <u>Taka</u>
Stock of stationery			25,254,437	38,030,434
Stamps on hand			1,965,149	1,517,250
Suspense account			399,699,925	207,855,976
Advance deposits			4,842,351	4,517,023
Sundry assets			408,567,170	245,572,936
Demand draft paid without advice			11,854,720	6,088,234
Bill purchased account - credit card			528,655,517	205,190,047
Inter branch adjustment account (Net)			(562,162,467)	449,470,886
Payment made against claim made by EBL for guarantee issued by BCCI			13,683,225	13,683,225
Advance against cash assistance			5,147,000	1,657,000
Receivables			121,600,490	1,646,990,000
Advance against branches			22,137,179	1,549,600
Advance against NBL Tower			362,871,960	220,462,610
Advance against Fixed Assets			236,200,152	242,006,334
Others			5,982,330	6,102,306
			1,586,299,138	3,290,693,861

Balance at the end of the year

Stock of stationery			33,920,423	25,254,437
Stamps on hand			2,375,148	1,965,149
Suspense account			189,443,607	399,699,925
Advance deposits			5,202,204	4,842,351
Sundry assets			397,278,840	408,567,170
Demand draft paid without advice			16,716,154	11,854,720
Bill purchased account - credit card			417,643,714	528,655,517
Inter branch adjustment account (Net)			(634,022,440)	(562,162,467)
Payment made against claim made by EBL for guarantee issued by BCCI			13,683,225	13,683,225
Advance against cash assistance			9,510,000	5,147,000
Receivables			-	121,600,490
Advance against branches			4,133,860	22,137,179
Advance against NBL Tower			319,674,273	362,871,960
Advance against Fixed Assets			233,717,826	236,200,152
Others			28,082,150	5,982,330
			1,037,358,984	1,586,299,138

Net Changes

548,940,154	1,704,394,723
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Howladar Yunus & Co.

	Group		Bank	
	2013 Taka	2012 Taka	2013 Taka	2012 Taka
36 Changes in Other liabilities				
Balance at the beginning of the year				
Un-paid dividend			10,009,092	10,009,092
Provision for bonus			284,224,044	197,926,899
Interest suspense account			621,024,141	574,576,556
Provision for other classified assets			40,266,450	40,266,450
ATM card holders' accounts			35,500	35,500
Foreign currencies adjustment account			1,309,534,358	1,892,094,143
Bills payable account MPS (CCD)			25,153,296	23,261,981
Provision for LFA			87,494,882	73,682,807
Clearing adjusting account			138,357	343,282
Others			67,340,795	43,583,438
			2,445,220,915	2,855,780,148
Balance at the end of the year				
Un-paid dividend			10,009,092	10,009,092
Provision for bonus			191,234,393	284,224,044
Interest suspense account			2,203,179,890	621,024,141
Provision for other classified assets			90,266,450	40,266,450
ATM card holders' accounts			35,500	35,500
Foreign currencies adjustment account			1,353,272,709	1,309,534,358
Bills payable account MPS (CCD)			9,583,346	25,153,296
Provision for LFA			88,492,288	87,494,882
Clearing adjusting account			128,327	138,357
Others			49,076,292	67,340,795
			3,995,278,287	2,445,220,915
Net Changes			1,550,057,372	(410,559,233)
37 Earnings per share (EPS)				
Net profit after tax			2,116,590,608	1,487,912,931
Weighted average number of ordinary shares outstanding			1,419,603,244	1,419,603,244
EPS			1.49	1.05
38 Number of employees				
The number of employees engaged for the whole year or part thereof who received a total remuneration of Tk.36,000/- p.a. or above were 4,126.				

39 Audit committee

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

SL No.	Name	Status with NBL	Status with the Committee	Educational Qualification
i)	Mr. Md. Anwar Hussain	Independent Director	Chairman	BSc ENG. (Civil)
ii)	Alhaj Khalilur Rahman	Director	Member	Bachelor of Science in Management
iii)	Mr. Moazzam Hossain	Director	Member	M. Sc
iv)	Mr. Mabroor Hossain	Director	Member	Graduate

During the period under review, the audit committee of the Board conducted 4 (four) 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 internal control & compliance system of the Bank.
- iii) Review of internal audit reports of different branches. Identification of minor/major lapses and compliances thereagainst.
- iv) Guidelines for audit program during the year 2013.
- v) Review of working of the credit administration division of the Bank.
- vi) Review of the classified portfolio and recovery position of the Bank.
- vii) Review the training program of the Bank.
- viii) Review of the large classified / stuck up (Top- 20) accounts of the Bank.
- ix) Review of the activities of management committee (MANCOM) of the Bank.
- x) Review of the disposal of the law suits of the Bank.

Howladar Yunus & Co.

40 Related party disclosures

i) Name of the Directors and the entities in which they have interest as on December 31, 2013

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	<u>Chairman</u> Z H Sikder Women's Medical College & Hospital (pvt) Ltd. Sikder Real Estate Limited Z H Sikder University of Science & Technology	9.40% 20.00%
Mrs. Monowara Sikder	Director	<u>Managing Director</u> Z H Sikder Women's Medical College & Hospital (pvt) Ltd. Sikder Real Estate Limited <u>Vice Chairperson</u> Z H Sikder University of Science & Technology	9.40% 20.00%
Ms. Parveen Haque Sikder	Director	<u>Chairperson</u> Millennium International School Mandy Dental College & Hospital J & M Builders (Pvt) Ltd. Western Bowling & Fitness Centre Jeffrey Institute of Health Science & Technology Powertech Holdings Ltd. ISO Tech Group <u>Vice Chairperson</u> Z H Sikder Women's Medical College & Hospital (Pvt.) Ltd. Sikder Real Estate Limited <u>Treasurer</u> Z H Sikder University of Science & Technology <u>Proprietor</u> Z M Real Estate	34.80% 50.00% 50.00% 9.40% 10.00%
Alhaj Khalilur Rahman	Director	<u>Chairman</u> KDS Garments Ind. Ltd. KDS Apparels Ltd. KY Steel Mills Ltd. KIY Steel Ind. Ltd. KDS High Tech Garments (BD) Ltd KDS Information Tech. Ltd. KDS Fashion Ltd. Steel Accessories Ltd. KDS Logistics Ltd. Pragati Life Insurance Ltd. KDS IDR Ltd. <u>Managing Director</u> KDS Textile Mills Ltd. KDS Cotton Poly Thread Ind. Ltd. KYCR Coil Ind. Ltd.	50.15% 49.88% 98.00% 95.00% 50.00% 55.00% 0.86% 50.00% 0.13% 197,568 shares 45.00% 20.27% 6.67% 9.21%

Howladar Yunus & Co.

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
		<u>Director</u> Sky Securities Ltd. <u>Shareholder</u> Al- Arafa Islami Bank Ltd. Pragati Insurance Ltd. KDS Accessories Ltd. KDS Poly Ind. Ltd.	42.46% 4,567,529 shares 2,677,901 shares 61.00% 61.00%
Mr. Moazzam Hossain	Director	<u>Chairman</u> Hosaf International Ltd. Hosaf Electronics Ltd. Hosaf Power Generation Co. Ltd. Shandong Ludi Xinwen & Hosaf Mining (BD) Limited. Hosaf Gene Cure Pharma Co. Ltd. Hosaf CMEC Power Generation Co. Ltd. Hosaf Hexing Inds. Ltd. <u>Managing Director</u> EnergyPrima Ltd. Hosaf Meter Industry Ltd. Citi Link Apartment Ltd. Bangladesh Mineral Dev. Com. Ltd. Bangladesh Fabrics Ltd. <u>Director</u> Euro Knitting & Dyeing Inds. Ltd. <u>Proprietor</u> Hosaf Consultancy <u>Shareholder</u> United Hospital Ltd. Pragati Insurance Ltd. (Sponsor)	22.93% 45.00% 75.00% 20.00% 36.67% 18.34% 69.59% 30.43% 97.89% 99.98% 66.67% 60.00% 11.46% 100.00% 0.42% 1.57%
Mr. Zakaria Taher	Director	<u>Chairman</u> Purbachal Drillers Ltd. T S Holdings Ltd. TSCO Power Ltd. T S Transformer Ltd. Zyta Garments Ltd. <u>Director</u> Jeans Culture Ltd. <u>Managing Director</u> Armana Fashions Limited Armana Apparels Ltd. Zyta Apparels Ltd. Denimach Ltd. Denimach Washing Ltd. <u>Sponsor shareholder</u> Pragati Life Insurance Ltd.	50.00% 60.00% 50.00% 35.00% 60.00% 40.00% 34.00% 50.00% 51.00% 15.00% 10.00% 224,662 shares

Howladar Yunus & Co.

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. Rick Haque Sikder	Director	<p><u>Chairman</u> PowerPac Holdings Ltd. 50.00% R & R Holdings Ltd. 50.00% PowerPac Mutiara Keraniganj Power Plant Ltd. 50.00% PowerPac Mutiara Khulna Power Plant Ltd. 50.00% PowerPac Mutiara Jamalpur Power Plant Ltd. 50.00%</p> <p><u>Director</u> Z H Sikder Women's Medical College & Hospital (pvt) Ltd. 9.40% Sikder Pharmaceuticals Ltd. 10.00%</p> <p><u>Managing Director</u> R & R Aviation Ltd. 81.90% BEL Construction SDN BHD Ltd. 80.00%</p> <p><u>Managing Partner</u> PowerPac 50.00% A1 Trade Center 50.00%</p> <p><u>Proprietor</u> The River 100.00%</p> <p><u>Member</u> Z H Sikder University of Science & Technology</p>	
Mr. Ron Haque Sikder	Director	<p><u>Managing Director</u> R & R Holdings Ltd. 50.00% PowerPac Holdings Ltd. 50.00% PowerPac Mutiara Keraniganj Power Plant Ltd. 50.00% PowerPac Mutiara Khulna Power Plant Ltd. 50.00% PowerPac Mutiara Jamalpur Power Plant Ltd. 50.00%</p> <p><u>Director</u> Z H Sikder Women's Medical College & Hospital (pvt) Ltd. 9.40% Sikder Pharmaceuticals Ltd. 10.00% Sikder Real Estate Ltd. 10.00%</p> <p><u>Managing Partner</u> Power Pac 50.00% A1 Trade Center 50.00%</p> <p><u>Member</u> Z H Sikder University of Science & Technology</p>	

Howladar Yunus & Co.

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. Mabroor Hossain	Director	Director Hosaf Meter Industry Ltd. Hosaf International Ltd. Hosaf Electronics Ltd. Hosaf Gene Cure Pharma Co. Ltd. Euro Knitting & Dyeing Inds. Ltd. Shandong Ludi Xinwen & Hosaf Mining (BD) Ltd. Bangladesh Mineral Dev. Co. Ltd. EnergyPrima Ltd. Shareholder Pragati Life Insurance Ltd Pragati Insurance Ltd.	0.49% 1.42% 25.00% 18.00% 25.00% 5.00% 14.28% 0.04% 3.20% 0.01%
Mr. Salim Rahman	Director	Chairman KDS Accessories Ltd. KDS Poly Ind. Ltd. Sky Securities Ltd. KYCR Coil Ind. Ltd. Director KDS Garments Ind. Ltd. KDS Textile Mills Ltd. KDS Cotton Poly Thread Ind. Ltd. KDS Information Tech Ltd. Managing Director KDS Hi-Tech. Garments (BD) Ltd. KDS Apparels Ltd. Steel Accessories Ltd. KDS Fashions Ltd. KDS IDR Ltd. KDS Logistic Ltd. Shareholder Al-Arafah Islami Bank Ltd. Pragati Insurance Ltd. Pragati Life Insurance Ltd. International Leasing & Financial Services Ltd.	21.00% 21.00% 3.61% 13.82% 49.85% 0.6681% 7.98% 25.00% 50.00% 50.12% 50.00% 1.71% 45.00% 0.13% 12,842,296 shares 591,569shares 210,832shares 260,400 shares
Mr. Md. Anwar Hussain	Independent Director	Proprietor ANA Group	
Mr. A K M Shafiqur Rahman	Managing Director	Nil	Nil

Howladar Yunus & Co.

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

(Amount in lac Taka)

Name of the party	Nature of Relation	Nature of Transaction	2013
KDS Garments Ltd.	Alhaj Khalilur Rahman, Chairman and Mr. Salim Rahman, Managing Director of KDS Garments Limited and Director of the Bank.	LG	25.00
Z H Sikder Women's Medical College & Hospital (Pvt) Ltd.	Common Director	Loan (Gen) & LC	1,656.19
Rick Haque Sikder & Others	Director	SOD	2,355.05
NBL Securities Ltd.	Subsidiary	Loan	46,600.00
			50,636.24

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 Bank Companies Act 1991: Nil

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

41 Event after the Balance Sheet date

No material event had occurred after the Balance Sheet date except declaration of..... dividend.

42 General

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


Managing Director


Director


Director


Chairman

National Bank Limited
Offshore Banking Unit, Bangladesh

Balance Sheet

As at December 31, 2013

	<u>Notes</u>	<u>December '2013</u>		<u>December '2012</u>	
		<u>USD</u>	<u>Taka</u>	<u>USD</u>	<u>Taka</u>
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		6,594,188.82	512,698,181	28,712.75	2,292,710
Outside Bangladesh		-	-	-	-
		6,594,188.82	512,698,181	28,712.75	2,292,710
MONEY AT CALL AND SHORT NOTICE		-	-	-	-
INVESTMENT		-	-	-	-
LOANS AND ADVANCES	4				
i) Loans, cash credits, overdrafts, etc.					
In Bangladesh		2,102,176.37	163,444,213	3,687,355.23	294,434,946
Outside Bangladesh		-	-	-	-
		2,102,176.37	163,444,213	3,687,355.23	294,434,946
ii) Bills purchased and discounted					
Payable in Bangladesh		15,451,285.99	1,201,337,486	4,024,000.00	321,315,998
Payable outside Bangladesh		-	-	-	-
		15,451,285.99	1,201,337,486	4,024,000.00	321,315,998
		17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
FIXED ASSETS	5	910.09	70,759	1,147.35	91,616
OTHER ASSETS	6	175,956.89	13,680,649	63,000.00	5,030,544
NON-BANKING ASSETS		-	-	-	-
TOTAL ASSETS		<u>24,324,518.16</u>	<u>1,891,231,288</u>	<u>7,804,215.33</u>	<u>623,165,814</u>

Howladar Yunus & Co.

	Note	December '2013		December '2012	
		USD	Taka	USD	Taka
CAPITAL AND LIABILITIES					
BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS					
	7				
In Bangladesh		21,165,750.00	1,645,637,063	4,245,000.00	338,962,826
Outside Bangladesh		-	-	-	-
		21,165,750.00	1,645,637,063	4,245,000.00	338,962,826
		21,165,750.00	1,645,637,063	4,245,000.00	338,962,826
DEPOSITS AND OTHER ACCOUNTS					
	8				
Current deposits and other accounts		2,879,629.16	223,891,167	2,731,247.33	218,089,826
Term deposits		260,115.00	20,223,941	823,492.00	65,755,754
		3,139,744.16	244,115,108	3,554,739.33	283,845,580
OTHER LIABILITIES					
	9	19,024.00	1,479,117	4,476.00	357,408
TOTAL LIABILITIES					
		24,324,518.16	1,891,231,288	7,804,215.33	623,165,814
CAPITAL/SHAREHOLDERS' EQUITY					
Retained earnings brought forward from profit & loss account		-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		24,324,518.16	1,891,231,288	7,804,215.33	623,165,814
Off balance sheet items					
Contingent liabilities					
Acceptance and endorsements		12,402,500.00	964,294,375	11,172,200.00	907,741,250
Letter of guarantee - Banks		-	-	-	-
Letter of guarantee - Others		207,200.00	16,109,800	207,200.00	16,835,000
Bills for collection		8,485,200.00	659,724,300	10,448,300.00	848,924,375
Irrevocable letters of credit		5,258,000.00	408,809,500	3,057,900.00	248,454,375
Other commitments		-	-	-	-
		26,352,900.00	2,048,937,975	24,885,600.00	2,021,955,000

National Bank Limited
Offshore Banking Unit, Bangladesh
Profit and Loss Account
For the year ended December 31, 2013

	Notes	2013		2012	
		USD	Taka	USD	Taka
Interest income	10	706,095.59	54,898,932	1,040,699.04	83,099,715
Interest paid on deposits and borrowings	11	180,439.74	14,029,190	287,258.79	22,937,586
Net interest income		525,655.85	40,869,742	753,440.25	60,162,129
Commission, exchange and brokerage	12	373,320.44	29,025,664	350,905.67	28,019,782
Other Operating Income	13	180,491.88	14,033,243	190,868.27	15,240,813
Total operating income		1,079,468.17	83,928,649	1,295,214.19	103,422,724
Salary and allowances	14	50,967.57	3,962,729	41,760.37	3,334,562
Rent, taxes, Insurance, electricity etc.	15	14,030.88	1,090,901	13,345.51	1,065,638
Postage, stamps, telecommunication etc.	16	16,682.57	1,297,070	8,130.93	649,253
Repair, maintenance and depreciation	17	471.65	36,670	1,067.23	85,218
Other operating expenses	18	254.31	19,773	262.46	20,957
		82,406.98	6,407,143	64,566.50	5,155,628
Profit before provision		997,061.19	77,521,506	1,230,647.69	98,267,096
Less: General Provision against UC Loan	2.3	-	-	-	-
Profit before income tax		997,061.19	77,521,506	1,230,647.69	98,267,096
Less: Provision for income tax	2.3	-	-	-	-
Net Profit after taxation		997,061.19	77,521,506	1,230,647.69	98,267,096
Balance of Profit brought forward		-	-	-	-
Effect of changes in exchange rate		-	(747,794)	-	(430,596)
Retained Earnings carried forward		997,061.19	76,773,712	1,230,647.69	97,836,500
Less: Retained earnings transferred to central operation		997,061.19	76,773,712	1,230,647.69	97,836,500
		-	-	-	-

National Bank Limited
Offshore Banking Unit, Bangladesh
Cash Flow Statement
For the year ended December 31, 2013

	2013		2012	
	USD	Taka	USD	Taka
A) Cash flows from operating activities				
Interest Income	706,095.59	54,898,932	1,040,699.04	83,099,714
Interest paid	(180,439.74)	(14,029,190)	(287,258.79)	(22,937,586)
Commission, exchange and brokerage	373,320.44	29,025,664	350,905.67	28,019,783
Received from other operating activities	180,491.88	14,033,243	190,868.27	15,240,812
Cash paid to employees	(50,967.57)	(3,962,729)	(41,760.37)	(3,334,561)
Cash paid to supplier	(30,947.95)	(2,406,203)	(21,760.14)	(1,737,545)
Paid for operating expenses	(254.31)	(19,773)	(262.46)	(20,957)
<i>Operating profit before changes in operating assets and liabilities</i>	<i>997,298.34</i>	<i>77,539,944</i>	<i>1,231,431.22</i>	<i>98,329,660</i>
(Increase)/ decrease in operating assets:				
Loan and advances to customers	(9,842,107.13)	(749,030,755)	13,769,358.08	1,099,481,866
Other Assets	(112,956.89)	(8,650,105)	79,800.00	6,372,022
Increase/(decrease) in operating liabilities:				
Effect of Changes in exchange rate	-	(746,375)	-	(938,091)
Deposits from Banks	-	-	-	-
Customers' deposits and other accounts	(414,995.06)	(39,730,472)	2,059,589.57	164,458,021
Borrowing from other banks and financial institutions	16,920,750.00	1,306,675,237	(16,107,099.80)	(1,286,150,308)
Other liabilities	14,548.00	1,121,709	(27,086.31)	(2,162,839)
	6,565,238.92	509,639,239	(225,438.46)	(18,939,329)
Net cash provided from operating activities	7,562,537.26	587,179,183	1,005,992.76	79,390,331
B) Cash flows from investing activities				
Changes in fixed assets	-	-	-	-
Fund placement	-	-	-	-
C) Cash flows from financing activities				
Profit remitted to Head Office	(997,061.19)	(76,773,712)	(1,230,647.69)	(97,836,500)
D) Net increase in cash and cash equivalents (A+B+C)	6,565,476.07	510,405,471	(224,654.93)	(18,446,169)
E) Opening cash and cash equivalents	28,712.75	2,292,710	253,367.68	20,738,879
F) Closing cash and cash equivalent (D+E)	6,594,188.82	512,698,181	28,712.75	2,292,710
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	6,594,188.82	512,698,181	28,712.75	2,292,710
Money at call and short notice	-	-	-	-
Prize bonds	-	-	-	-
	6,594,188.82	512,698,181	28,712.75	2,292,710

National Bank Limited
Offshore Banking Unit
Notes to the Financial Statements
For the year ended December 31, 2013

1 Status

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

2 Significant Accounting policy

2.1 Basis of accounting

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

2.2 Loans and advances

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

2.3 Common expenses

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

3 Balance with other Banks and Financial Institutions

	2013		2012	
	USD	Taka	USD	Taka
Inside Bangladesh				
NBL Mohakhali Branch	81,448.19	6,332,597	5,970.35	476,732
Placement with NBL	6,183,000.00	480,728,250	-	-
Head Office ID	329,740.63	25,637,334	22,742.40	1,815,978
	6,594,188.82	512,698,181	28,712.75	2,292,710

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

Payable

On demand	6,594,188.82	512,698,181	28,712.75	2,292,710
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	-	-	-	-
	6,594,188.82	512,698,181	28,712.75	2,292,710

4 Loans and advances

4.1 Loans, Cash Credit, Overdraft etc.

4.1.1 Inside Bangladesh	Loans	1,280,000.00	99,520,000	1,801,389.85	143,840,799
	Cash Credit	-	-	-	-
4.1.2 Outside Bangladesh	Loan against TR	25,277.91	1,965,358	965,654.25	77,107,395
	Secured Overdraft	796,898.46	61,958,855	920,311.13	73,486,752
		2,102,176.37	163,444,213	3,687,355.23	294,434,946
		2,102,176.37	163,444,213	3,687,355.23	294,434,946

4.2 Bills purchased and discounted

4.2.1 Inside Bangladesh	Local Bill Purchased	416,800.00	32,406,200	3,142,300.00	250,912,341
	Foreign Bill Purchased	15,034,485.99	1,168,931,286	881,700.00	70,403,657
4.2.2 Outside Bangladesh		-	-	-	-
		15,451,285.99	1,201,337,486	4,024,000.00	321,315,998
		17,553,462.36	1,364,781,699	7,711,355.23	615,750,944

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	2013		2012	
	USD	Taka	USD	Taka
4.3 Maturity grouping of loans and advances including bills discounted and purchased				
Payable on demand	-	-	-	-
Less than three months	283,568.02	22,047,414	4,024,000.00	321,315,998
More than three months but less than one year	15,989,894.34	1,243,214,285	2,480,605.23	198,076,080
More than one year but less than five years	1,280,000.00	99,520,000.00	1,206,750.00	96,358,866
	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
4.4 Maturity analysis of bills purchased and discounted				
Within one month	283,568.02	22,047,414	-	-
More than one month but less than three months	15,167,717.97	1,179,290,072	4,024,000.00	321,315,998
More than three months but less than six months	-	-	-	-
	15,451,285.99	1,201,337,486	4,024,000.00	321,315,998
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-Directors)	-	-	-	-
Advances to CEO & Managing Director	-	-	-	-
Advances to Other executives and staffs	-	-	-	-
Advances to Customers (Group wise)	-	-	-	-
Industrial Advances	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
4.6 Industry-wise Concentration of loans and advances				
Air way sector (BBAW)	1,280,000.00	99,520,000	1,609,000.00	128,478,489
Power sector	-	-	-	-
Pharmaceuticals Industries	283,568.02	22,047,414	-	-
Textile & Garments Industry	2,703,476.37	210,195,288	6,102,355.23	487,272,455
Ship Breaking Industries	-	-	-	-
Industries for Steel products	1,372,898.36	106,742,847	-	-
Cement Industry	1,798,305.00	139,818,214	-	-
Others	10,115,214.61	786,457,936	-	-
	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
4.7 Geographical location-wise concentration of Loans and advances				
<i>Inside Bangladesh</i>				
Dhaka Division	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
Chittagong Division	-	-	-	-
Khulna Division	-	-	-	-
Rajshahi Division	-	-	-	-
Barishal Division	-	-	-	-
Sylhet Division	-	-	-	-
<i>Outside Bangladesh</i>	-	-	-	-
	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
4.8 Classified, unclassified, doubtful and bad loans & advances				
Unclassified				
Standard	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
Special Mention Account	-	-	-	-
Classified				
Sub-standard	-	-	-	-
Doubtful	-	-	-	-
Bad/Loss	-	-	-	-
	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944

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	2013		2012	
	USD	Taka	USD	Taka
4.9 Particulars of loans and advances				
i) Debt considered good in respect of which the bank is fully secured	17,553,462.36	1,364,781,699	7,711,355.23	615,750,944
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	-	-	-	-
iv) Debts considered doubtful or bad, not provided for	-	-	-	-
	<u>17,553,462.36</u>	<u>1,364,781,699</u>	<u>7,711,355.23</u>	<u>615,750,944</u>
v) Debts taken by directors or executives or any of them taken jointly or separately with other persons	-	-	-	-
vi) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person and debts due by companies or firms in which the directors, partners or managing agent or in the case of private companies as members	-	-	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the period to directors or managers or officers of the bank or any of them either severally or jointly with any other persons	-	-	-	-
viii) Maximum total amount of advances, including temporary advance granted during the period to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies as	-	-	-	-
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	140,521	1,807.35	144,317
Office Equipments	8,291.02	644,627	8,291.13	662,046
	<u>10,098.37</u>	<u>785,148</u>	<u>10,098.48</u>	<u>806,363</u>
Accumulated Depreciation	9,188.28	714,389	8,951.13	714,747
	<u>910.09</u>	<u>70,759</u>	<u>1,147.35</u>	<u>91,616</u>
6 Other assets				
Stationery in hand	356.89	27,749	-	-
Adjusting account debit	175,800.00	13,652,900	63,000.00	5,030,544
	<u>175,956.89</u>	<u>13,680,649</u>	<u>63,000.00</u>	<u>5,030,544</u>
7 Borrowings from other Banks, Financial Institutions and Agents				
In Bangladesh				
Head office, ID	21,165,750.00	1,645,637,063	4,245,000.00	338,962,826
Bangladesh Bank	-	-	-	-
	<u>21,165,750.00</u>	<u>1,645,637,063</u>	<u>4,245,000.00</u>	<u>338,962,826</u>
Outside Bangladesh	-	-	-	-
	<u>21,165,750.00</u>	<u>1,645,637,063</u>	<u>4,245,000.00</u>	<u>338,962,826</u>
7.1 Classification based on types of security				
Secured	-	-	-	-
Unsecured	21,165,750.00	1,645,637,063	4,245,000.00	338,962,826
	<u>21,165,750.00</u>	<u>1,645,637,063</u>	<u>4,245,000.00</u>	<u>338,962,826</u>
7.2 Maturity grouping of borrowings from other Banks, Financial Institutions and Agents				
Payable on demand	-	-	-	-
Payable within one month	21,165,750.00	1,645,637,063	4,245,000.00	338,962,826
More than one month but less than three months	-	-	-	-
More than three months but less than 1 year	-	-	-	-
More than 1 year but less than 5 years	-	-	-	-
	<u>21,165,750.00</u>	<u>1,645,637,063</u>	<u>4,245,000.00</u>	<u>338,962,826</u>
8 Deposits and other accounts				
Current and other accounts				
Current account	148,534.37	11,548,547	611,091.96	48,795,632
Sundry deposits	2,731,094.79	212,342,620	2,120,155.37	169,294,194
	<u>2,879,629.16</u>	<u>223,891,167</u>	<u>2,731,247.33</u>	<u>218,089,826</u>
Term deposits	260,115.00	20,223,941	823,492.00	65,755,754
	<u>3,139,744.16</u>	<u>244,115,108</u>	<u>3,554,739.33</u>	<u>283,845,580</u>

Howladar Yunus & Co.

	2013		2012	
	USD	Taka	USD	Taka
8.1 Maturity grouping of deposits and other accounts				
Payable on demand	148,534.37	11,548,547	611,091.96	48,795,632
Payable within one month	-	-	-	-
More than one month but less than three months	2,731,094.79	212,342,620	2,120,155.37	169,294,194
More than three months but less than one year	260,115.00	20,223,941	823,492.00	65,755,754
More than one year but less than five years	-	-	-	-
	3,139,744.16	244,115,108	3,554,739.33	283,845,580
9 Other liabilities				
Adjusting Account Credit	19,024.00	1,479,117	4,476.00	357,408
FC Adjusting Account	-	-	-	-
Provision for Off-Balance Sheet Items	-	-	-	-
Provision for unclassified Loans and advances	-	-	-	-
	19,024.00	1,479,117	4,476.00	357,408
10 Interest Income				
Interest on Advances	624,557.58	48,559,352	1,039,794.07	83,027,453
Interest on Money at Call and Short Notice	-	-	-	-
Interest on fund placement with HO, ID	81,538.01	6,339,580	904.97	72,262
Interest on Foreign Currency Balances	-	-	-	-
	706,095.59	54,898,932	1,040,699.04	83,099,715
11 Interest paid on deposits and borrowings				
Interest on Deposits	328.00	25,502	3,645.00	291,053
Interest on Borrowings	180,111.74	14,003,688	283,613.79	22,646,533
Discount	-	-	-	-
Interest on REPO	-	-	-	-
	180,439.74	14,029,190	287,258.79	22,937,586
12 Commission, exchange and brokerage				
Commission	373,311.09	29,024,937	350,902.81	28,019,554
Exchange gain net off exchange losses	9.35	727	2.86	228
Brokerage	-	-	-	-
	373,320.44	29,025,664	350,905.67	28,019,782
13 Other Operating Income				
Shipping Guarantee, Handling charges, service charges etc.	79,758.18	6,201,043	93,551.27	7,470,060
Postage	1,252.00	97,343	1,022.00	81,607
Courier	29,159.00	2,267,112	25,463.00	2,033,218
SWIFT	59,732.00	4,644,163	59,941.00	4,786,283
Remittance Income	1,740.00	135,285	1,730.00	138,140
Miscellaneous	8,852.70	688,297	9,161.00	731,505
	180,491.88	14,033,243	190,868.27	15,240,813
14 Salaries and allowances				
Basic Salary	22,805.91	1,757,610	21,487.06	1,715,740
Allowances	24,306.29	1,889,814	18,567.40	1,482,605
Bank's contribution to PF	2,202.12	171,215	1,705.91	136,217
Bonus	1,853.25	144,090	-	-
Others	-	-	-	-
	50,967.57	3,962,729	41,760.37	3,334,562
15 Rent, taxes, insurance, electricity etc.				
Rent Office	13,412.89	1,042,852	12,750.18	1,018,101
Electricity	617.99	48,049	595.33	47,537
	14,030.88	1,090,901	13,345.51	1,065,638
16 Postage, stamps, telecommunication etc.				
Telephone Office	72.01	5,599	72.94	5,824
Postage	19.81	1,540	84.10	6,715
Courier	13,012.95	1,011,757	2,444.69	195,208
Internet	261.54	20,335	246.24	19,662
SWIFT charges	3,316.26	257,839	5,282.96	421,844
	16,682.57	1,297,070	8,130.93	649,253

Howladar Yunus & Co.

	2013		2012	
	USD	Taka	USD	Taka
17 Repair, maintenance and depreciation				
Depreciation				
Furnitures, fixtures, fittings etc.	184.48	14,343	184.43	14,727
Computer Equipment	-	-	527.40	42,113
Office Equipments	52.67	4,095	71.70	5,725
	237.15	18,438	783.53	62,565
Repair				
Office Premises	-	-	-	-
Office Equipments	-	-	-	-
Furnitures and fixtures	-	-	283.70	22,653
Others	234.50	18,232	-	-
	234.50	18,232	283.70	22,653
	471.65	36,670	1,067.23	85,218
18 Other operating expenses				
Registration and renewal fees	-	-	-	-
Stationary	254.31	19,773	262.46	20,957
Others	-	-	-	-
	254.31	19,773	262.46	20,957

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 77.75 which represents the year-end mid rate of exchange as at December 31, 2013.

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, 2013

Particulars	Maturity within 1 month	Maturity within 1 to 3 months	Maturity within 3 to 12 months	Maturity within 1 to 5 years	Maturity over 5 years	Total Amount
	USD	USD	USD	USD	USD	USD
<u>ASSETS</u>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	6,594,188.82	-	-	-	-	6,594,188.82
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customers	-	283,568.02	15,989,894.34	1,280,000.00	-	17,553,462.36
Fixed assets	19.76	39.52	850.81	-	-	910.09
Other assets	-	175,956.89	-	-	-	175,956.89
Non-banking assets	-	-	-	-	-	-
Total Assets	6,594,208.58	459,564.43	15,990,745.15	1,280,000.00	-	24,324,518.16
<u>LIABILITIES</u>						
Borrowings from other banks & financial institutions	21,165,750.00	-	-	-	-	21,165,750.00
Deposits & other accounts	148,534.37	2,731,094.79	260,115.00	-	-	3,139,744.16
Other liabilities	-	19,024.00	-	-	-	19,024.00
Total Liabilities	21,314,284.37	2,750,118.79	260,115.00	-	-	24,324,518.16
Net Liquidity Difference	(14,720,075.79)	(2,290,554.36)	15,730,630.15	1,280,000.00	-	-

National Bank Limited
Offshore Banking Unit, Bangladesh
Statement of Liquidity in BDT
(Maturity analysis of assets and liabilities)
As at December 31, 2013

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
	Taka	Taka	Taka	Taka	Taka	Taka
<u>ASSETS</u>						
Cash in hand	-	-	-	-	-	-
Balance with other banks and financial institutions	512,698,181	-	-	-	-	512,698,181
Money at call and short notice	-	-	-	-	-	-
Investment	-	-	-	-	-	-
Loans & advances to customers	-	22,047,414	1,243,214,285	99,520,000	-	1,364,781,699
Fixed assets	1,536	3,073	66,150	-	-	70,759
Other assets	-	13,680,649	-	-	-	13,680,649
Non-banking assets	-	-	-	-	-	-
Total Assets	512,699,717	35,731,136	1,243,280,435	99,520,000	-	1,891,231,288
<u>LIABILITIES</u>						
Borrowings from other banks & financial institutions	1,645,637,063	-	-	-	-	1,645,637,063
Deposits & other accounts	11,548,547	212,342,620	20,223,941	-	-	244,115,108
Other liabilities	-	1,479,117	-	-	-	1,479,117
Total Liabilities	1,657,185,610	213,821,737	20,223,941	-	-	1,891,231,288
Net Liquidity Difference	(1,144,485,893)	(178,090,601)	1,223,056,494	99,520,000	-	-

National Bank Limited
Schedule of Fixed Assets
As at December 31, 2013

Particulars	Cost / Revaluation				Depreciation			Net book value on 31 December 2013
	Balance on 01 January 2013	Additions during the year	Adjustments/ Disposals during the year	Balance on 31 December 2013	Balance on 01 January 2013	Charge for the year	Adjustments/ disposals during the year	Balance on 31 December 2013
Land	557,134,117	111,921,600	4,346,667	664,709,050	-	-	-	664,709,050
Building	728,078,685	421,513,512	33,635,337	1,115,956,860	58,221,172	20,789,285	70,001	78,940,456
Furniture and fixtures	607,744,087	198,468,179	7,063,726	799,148,540	242,317,460	59,705,019	6,092,402	295,930,077
General Equipment	625,799,115	143,462,303	14,384,138	754,877,280	397,321,928	92,628,183	13,334,281	476,615,828
Computer Equipment	526,369,436	50,350,636	9,491,150	567,228,922	428,290,719	67,730,374	9,306,553	486,714,540
Vehicles	194,065,170	17,407,498	3,823,208	207,649,460	134,638,889	21,038,474	3,615,826	152,061,537
Vehicles(Leased)	33,059,000	-	-	33,059,000	9,365,207	6,611,800	-	15,977,007
Books	1,390,734	4,000	-	1,394,734	1,102,859	92,167	-	1,195,026
At December 31, 2013	3,273,640,344	943,127,728	72,744,226	4,144,023,846	1,271,258,232	268,595,302	32,419,063	1,507,434,471
At December 31, 2012	3,036,273,930	355,185,767	117,819,353	3,273,640,344	1,080,980,526	255,570,387	65,292,681	2,002,382,112

National Bank Limited
Balance with other Banks and Financial Institutions (Outside Bangladesh)
As at December 31, 2013

Particulars	Currency Name	2013			2012		
		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	610,000.00	77.7500	47,427,500	610,000.00	79.8499	48,708,439
AB Bank -OBU	USD	9,000,000.00	77.7500	699,750,000	-	-	-
Standard Chartered Bank , NY	USD	500,000.00	77.7500	38,875,000	-	-	-
Sub-total		786,052,500			48,708,439		
In demand deposit accounts (non interest bearing) with							
Mashreq Bank, New York	USD	2,028,194.08	77.7500	157,692,090	762,970.95	79.8499	60,923,154
JP Morgan Chase Bank - New York	USD	2,507,018.62	77.7500	194,920,698	9,185,951.36	79.8499	733,497,298
Bank of America Int'l, New York	USD	496,378.56	77.7500	38,593,278	604,157.34	79.8499	48,241,903
Standard Chartered Bank, New York	USD	19,757,393.93	77.7500	1,536,137,378	16,748,138.63	79.8499	1,337,337,195
HSBC, New York	USD	1,032,901.18	77.7500	80,308,067	859,910.51	79.8499	68,663,768
Standard Chartered Bank, Mumbai	ACU	742,921.10	77.7500	57,762,116	168,303.04	79.8499	13,438,981
Sonali Bank, Kolkata	ACU	389,262.17	77.7500	30,265,134	178,021.65	79.8499	14,215,011
Mashreq Bank, Mumbai	ACU	635,106.69	77.7500	49,379,545	137,557.04	79.8499	10,983,916
State Bank of India, Kolkata	ACU	6,122.07	77.7500	475,991	6,122.07	79.8499	488,847
United Bank, Karachi	ACU	31,215.43	77.7500	2,427,000	31,215.43	79.8499	2,492,549
NABIL Bank , Nepal	ACU	230,468.97	77.7500	17,918,962	465,982.97	79.8499	37,208,694
Standard Chartered Bank, Colombo	ACU	86,136.09	77.7500	6,697,081	27,609.70	79.8499	2,204,632
Myanmar Foreign Trade Bank- Yangon	ACU	662.85	77.7500	51,537	662.85	79.8499	52,929
AB Bank Ltd., Mumbai	ACU	1,152,787.01	77.7500	89,629,190	675,767.52	79.8499	53,959,969
Bank of Bhutan, Thimpu	ACU	87,170.56	77.7500	6,777,511	368,594.58	79.8499	29,432,239
HSBC, Karachi	ACU	25,840.08	77.7500	2,009,066	218,246.36	79.8499	17,426,950
ICICI Bank Ltd., Mumbai	ACU	38,028.34	77.7500	2,956,703	37,956.24	79.8499	3,030,802
HDFC Bank, India	ACU	100,415.76	77.7500	7,807,325	-	-	-
Commerz Bank, Frankfurt	EURO	164,497.82	106.8285	17,573,055	34,267.35	105.5696	3,617,590
Standard Chartered Bank, Frankfurt	EURO	9,353.96	106.8285	999,270	37,007.61	105.5696	3,906,879
Uni Credito Italino SPA, Italy	EURO	7,170.13	106.8285	765,974	89,961.08	105.5696	9,497,155
Alpha Bank AE Athens	EURO	5,935.91	106.8285	634,124	49,599.22	105.5696	5,236,170
HSBC, London	GBP	192,887.01	128.0776	24,704,505	12,833.99	129.1013	1,656,885
Sonali Bank, London	GBP	1,461.56	128.0776	187,193	2,030.68	129.1013	262,163
BOT - Tokyo	JPY	3,054,740.00	0.7384	2,255,620	5,880,665.00	0.9278	5,456,081
UBAF- Tokyo	JPY	29,245.00	0.7384	21,595	29,245.00	0.9278	27,134
Union Bank of Switzerland	CHF	10,166.00	87.1051	885,510	5,557.17	87.4301	485,864
Habib Bank Zurich	CHF	8,427.25	87.1051	734,056	10,320.67	87.4301	902,337
Habib Bank, Karachi	ACU	513,147.10	77.7500	39,897,187	-	-	-
Habib American Bank	USD	1,088,311.25	77.7500	83,061,200	563,676.94	79.8499	45,009,547
Bank of Nova Scotia, Toronto	CAD	12,303.57	72.5754	892,937	24,593.02	80.1062	1,970,053
National Australia Bank, Melbourne	AUD	5,606.04	68.8165	385,788	1,787.15	82.7804	147,941
Standard Chartered Bank, Singapore	SGD	103,186.26	61.2542	6,320,592	211,128.40	65.2368	13,773,341
Wachovia Bank, New York	USD	2,220,582.13	77.7500	172,650,261	212,912.13	79.8499	17,001,012
Citibank N.A - New York	USD	3,967,129.70	77.7500	308,444,334	1,715,984.76	79.8499	137,021,210
Sub-total		2,942,221,873			2,679,570,199		
Grand total		3,728,274,373			2,728,278,638		

National Bank Limited
Status of large loan as on December 31, 2013

(Figure in crore)

SL No	Name of the borrower	Funded	Non-funded	Total outstanding	Classification status
1	S Alam Group	605.21	717.54	1,322.75	Standard
2	Maisha Group	557.95	554.60	1,112.55	Standard
3	Beximco Group	453.53	15.00	468.53	Standard
4	Nassa Group	319.51	106.11	425.62	Standard
5	Saad Musa Group	251.63	170.43	422.06	Standard
6	S Alam Super Edible Oils Ltd.	420.12	0.00	420.12	Standard
7	S A Group	89.17	253.08	342.25	Standard
8	FMC	326.78	65.97	392.75	Standard
9	Ehsan Group	312.52	25.74	338.26	Standard
10	Navana Group	332.89	2.87	335.76	Standard
11	Nurjahan Super Edible Oils Ltd & Khelque & Sons	318.89	0.00	318.89	Standard
12	Marrine Vegetables & Ahmed Traders	313.80	0.00	313.80	Standard
13	Bashundhara Group	277.85	33.06	310.91	Standard
14	Helpline Resources	307.58	0.00	307.58	Standard
15	Kheleque Group	280.06	18.99	299.05	Standard
16	Chittagong Syndicate	307.00	0.00	307.00	Standard
	Total	5,474.49	1,963.39	7,437.88	

National Bank Limited

Head Office Dhaka

Annexure-D

A. i) Disclosure regarding outstanding REPO

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

Fig. in crore

Counter party	Agreement date	Reversal date	Amount
Sonali Bank Limited	30.12.2013	01.01.2014	158.10
Total			158.10

ii) Disclosure regarding outstanding Reverse REPO

Counter party	Agreement date	Reversal date	Amount
Bangladesh Bank	30.12.2013	01.01.2014	200.00

B. Disclosure regarding overall Transaction of REPO & Reverse REPO

Counter party	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year
REPO/ALS			
With Bangladesh Bank	32.30	1001.11	197.50
Other Banks & FIS	31.48	1095.04	231.45
Reverse REPO			
With Bangladesh Bank	15.00	200.00	1.73
Other Banks & FIS	Nil	Nil	Nil

Howladar Yunus & Co.

National Bank Limited

Structural Liquidity Profile as at December 31, 2013

Annexure -E

*As per Bangladesh Bank circular No. 02, dated March 29, 2011.

(Taka in crore)

Particulars	Call	2-7 Days	8 Days-1 Month	1-3 Months	3-12 Months	1-5 Years	more than 5	Total
Assets (Inflow)								
Cash in hand (LCY+FCY)	235.05	-	-	-	-	-	-	235.05
Balance with Bangladesh Bank (LCY)	13.60	-	-	-	-	-	1,071.62	1,085.22
Balance with Bangladesh Bank (FCY)	-	-	-	-	-	-	-	-
Balance with other banks and financial institutions	217.00	25.00	40.00	10.00	32.50	0.12	-	324.62
Money at call & short notice	9.89	-	-	-	-	-	-	9.89
Investment in G-SEC	-	42.03	329.18	518.32	96.76	1,262.33	2,356.28	4,604.90
Other Investment (Share, Debenture & bond, MFU and others)	0.58	-	269.56	14.00	658.71	81.00	177.69	1,201.54
Loans and Advances	227.45	90.63	2,310.65	4,773.28	6,912.65	8,305.09	2,642.55	25,262.30
Bills Purchased & Discounted	18.00	54.02	72.03	198.08	18.00	-	-	360.13
Reverse REPO with Bangladesh Bank	-	-	-	-	-	-	-	-
Reverse REPO with Others	-	-	-	-	-	-	-	-
Fixed assets including premises, furnitures & fixtures	-	-	-	-	-	-	251.64	251.64
Other assets	-	-	1.74	29.30	15.16	1,345.08	0.06	1,391.34
Non-banking assets	-	-	-	-	-	-	35.56	35.56
Other receivables	-	-	-	-	-	-	-	-
Total Inflows	721.57	211.68	3,023.16	5,542.98	7,733.78	10,993.62	6,535.40	34,762.19
Liabilities (Outflows)								
Borrowing from Bangladesh Bank (Refinances, etc.)	2.53	17.70	55.64	151.74	93.56	-	-	35.56
REPO/LS with Bangladesh Bank	-	-	-	-	-	-	-	0.00
REPO with other banks & fis.	158.10	-	-	-	-	-	-	-
Borrowing from other banks & fis.	-	-	4.42	533.41	104.80	-	-	642.63
Money at call & short notice	-	-	-	-	-	-	-	-
Demand Deposits	293.71	291.50	283.36	306.87	277.16	1,067.84	-	2,520.44
Savings bank deposit	32.15	33.89	33.64	37.38	37.38	2,317.74	-	2,492.18
Fixed Deposit	108.61	416.62	1,542.59	3,986.40	3,991.17	2,557.89	699.88	13,303.16
Bills Payable	22.57	115.87	24.57	19.85	39.70	-	-	222.56
Provision & other liabilities	-	6.59	0.97	-	0.00	202.19	1,002.85	1,212.60
Capital & Reserve	-	-	-	-	0.00	200.00	2,278.84	2,478.84
Total Outflows	617.67	882.17	1,945.19	5,035.65	4,543.77	6,345.66	3,981.57	23,351.68
Letter of Credit/Guarantees (Net of)	22.27	155.92	613.14	2020.31	2514.51	-	0.00	5,326.15
Other OBS Items (Net of margin)	-	-	-	-	-	-	-	-
Available Balance with BB (FCY)	38.41	-	-	-	-	-	-	38.41
Net Nostro a/c balance	294.22	-	31.10	47.51	-	-	-	372.83
NET MISMATCH	414.26	(826.41)	495.93	(1,465.47)	675.50	4,647.96	2,553.83	6,495.60
CUMULATIVE NET MISMATCH	414.26	(412.15)	83.78	(1,381.69)	(706.19)	3,941.77	6,495.60	

Medium Term Funding Ratio (MTF): 0.5891504

Maxium Cumulative Outflow (MCO): 12.04%

National Bank Limited
Highlights on the activities of the Bank
(NBL & Offshore Banking Unit)

(Taka in Million)

Sl. No.	Particulars	2013	2012
1	Paid-up Capital	14,196.03	14,196.03
2	Total Capital (Tier-I+II)	27,705.46	26,460.36
3	Capital Surplus/ (Deficit)	4,014.34	5,787.12
4	Total Assets	235,173.80	205,207.33
5	Total Deposits	193,642.97	157,331.73
6	Total Loans and Advances	151,098.99	126,169.79
7	Total Contingent Liabilities and Commitments	75,465.45	50,484.49
8	Advance / Deposit Ratio (%)	78.03%	80.19%
9	Percentage of Classified Loans against total Loans and Advances	3.24%	4.32%
10	Profit after Provision & Tax	2,116.59	1,487.91
11	Amount of Classified Loans	4,898.83	5,448.54
12	Provision kept against Classified Loans	1,461.48	1,422.64
13	Provision Surplus / (Deficit)*	(151.10)	78.20
14	Cost of Fund (including operating cost)	11.52%	11.83%
15	Interest Earning Assets	202,724.62	174,860.35
16	Non-interest Earning Assets	32,449.18	30,346.98
17	Return on Investment (ROI)	9.38%	10.05%
18	Return on Assets (ROA)	0.96%	0.80%
19	Income from Investment	5,213.02	4,252.95
20	Earnings per Share (Taka)	1.49	1.05
21	Net income per Share (Taka)	1.49	1.05
22	Price Earning Ratio (Times)	7.92	21.05
23	Net Assets Value per shares (Taka)	16.86	15.76
24	Net operating cash flow per share (Taka)	10.97	14.54

*Bangladesh Bank vide approval letter No. DBI-1(DGM-4)/82/2014-1015 has allowed to keep the provision within June 30, 2014.