



annual
report
2020





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report
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out us

Letter of Transmittal

To

All Shareholders of NRB Bank Limited
Bangladesh Bank
Bangladesh Securities & Exchange Commission
Registrar of Joint Stock Companies & Firms

Dear Sir/Madam,

Annual Report of NRB Bank Limited for the year ended 31st December 2020

We are pleased to enclose a copy of the Annual Report along with the Audited Financial Statements and Balance Sheet as at 31st December 2020, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity, Liquidity Statement for the year ended 31st December 2020 together with notes thereon of NRB Bank Limited for your kind information and record.

Thank you.

Sincerely



Md. Hasanul Haque
Company Secretary

Disclaimer

This Annual Report 2020 contains audited financial statements of the Bank along with other financial disclosures. Some parts particularly the financial statements of the Bank are audited which are presented in page from 127 to 189. Review of business and financial analysis presented in the Directors Report sections are based on audited financials as well as management information mostly unaudited unless otherwise specified. The Bank while recognizing financial transactions and presenting financial statements followed by relevant International Financial Reporting Standards (IFRS) except in some cases where the Bangladesh Bank instructed banks to follow their prescribed guidelines. However, if there grew any confusion, the Bank followed instructions of Bangladesh Bank being the prime regulator for banking companies.

Business 'outlook' and management estimates and assumptions in recognizing certain financial transactions presented in different parts of this Annual Report can be no assurance that actual outcomes will turn up to the tune of these projections. Some of the factors that may cause projected outcomes differ from the actual ones can be put forth, which are not comprehensive as well:

- ◆ Changes in macroeconomic outlook: The World Bank has forecast that Bangladesh's Gross Domestic Product (GDP) will increase by 3.6% in 2020-2021 fiscal year, due to better than expected remittance inflows. It also forecast that the country's GDP growth will be at 5.1% and 6.2% in 2021-22 and 2022-23 FYs respectively. The prospects of economic rebound is firming up after being heavily jolted by COVID 19 pandemic. Even though the growth may be uneven and economic activity may be well below per, as many businesses need to make up for lost revenue and millions of workers.
- ◆ General business and political uncertainties: Negative impact of political deadlock, associated risks in business environment, price spiral, declining demand for bank finance, environmental erosion, etc may erode the bank's earning substantially. In the absence of political agreement and stability, success in business is hard to achieve.
- ◆ Changes in Government and regulatory policy: Amendment of Bank Company Act 1991 and impact of such changes on banking business, underperformance of tax revenue by NBR, increased borrowing by government from banks, central bank directives for charging lower on banks' fees earnings, discontinuation of guidelines related to provisioning and rescheduling and others.
- ◆ Deterioration in borrowers' credit quality: Risk of deterioration of credit quality of borrowers is inherent in banking business. This could be driven by political unrest, economic slowdown and supply side disruption. Abrupt changes in the import pricing may affect the commodity sectors. Banks are under obligation to maintaining provision against potential credit loss.
- ◆ Power crisis and immature infrastructure: Stumbling block of adequate infrastructure, storage of sufficient supply of power to production facilities, political turmoil, soaring of cost of surviving businesses may push to cause slower growth of manufacturing and industrial activities.
- ◆ Challenges in managing business: Excess liquidity has burdened the Banking Industry in Bangladesh due to lower demand of credit for private sector. Govt. borrowing sometimes distorts the business plan of the banking sector in Bangladesh to maintain the liquidity management. There is little doubt that the banking sector in Bangladesh is going to face a difficult period in 2021 due to the continuing impact of the coronavirus outbreak. Unhealthy competition of the banking sector becomes risky to face the challenge to meet required ROI. Corporate tax burden hinders to meet the expected EPS of Shareholders.
- ◆ Rising capital requirement: Basel III might cause internationally active banks to maintain more capital and follow more stringent rules. The Bank while doing trade finance with those banks might have to follow more stringent rules. In addition to that, Bangladesh Bank (BB) has decided to level up paid-up capital for all banks, pulling it to Tk 500 crore by 2021
- ◆ Climate change and natural calamities: Bangladesh as one of the vulnerable countries to climate change effects and natural disaster lies on an alarming geographical location and risks considerable loss in agricultural sector accounting for a significant portion of GDP.
- ◆ Fraud or financial crime: Increasing frauds and financial crimes in the banking industry is denting industry confidence. The incidence is a direct outcome of weak corporate governance, control loopholes and IT inefficiencies. NRB Bank is all vigilant to prevent such untoward incident by virtue of strong and effective control system, high ethical practices, good corporate governance and risk management mechanism. However, the Bank cannot rule out any such surprise as the industry closely intertwined with sophisticated financial relationships.



The background of the entire page is a dense, repeating pattern of small, light-colored icons representing various financial and business concepts, such as lightbulbs, bar charts, pie charts, and dollar signs. Overlaid on this pattern are large, stylized silhouettes of hands. A teal hand is positioned at the top left, reaching towards a green puzzle piece. A tan hand is at the bottom, reaching towards an orange puzzle piece. In the top right corner, a portion of a blue hand is visible, reaching towards a blue puzzle piece. The puzzle pieces are interlocking, symbolizing the assembly of a vision or strategy.

Vision

To be the leading dedicated financial institution for NRBs to invest in Bangladesh and for Bangladeshi individuals and corporates to access international markets.



Mission

NRB Bank aims to be the preferred provider of targeted financial services as a conduit for investment to and from Bangladesh for our Bangladeshi communities both domestically and internationally, to accelerate the industrialisation of Bangladesh.

We will strengthen these relationships by providing the right solutions that combine professionalism, expertise and financial strength.

Values

We are trusted financial advisors; valuing our local roots and remaining dedicated to our global presence by being different than any other banks.

D DYNAMIC

We strive to change and perform to progress

I INNOVATIVE

We foster ideas through finding better ways to improve

G GLOBAL

We empower to create competitive edge to set international standard

I INTEGRITY

We govern by the principles of ethics and transparency

T TECHNOCENTRIC

We step ahead of technological advancement

Statement Regarding Forward Looking Approach

The Annual Report contains some forward looking statements regarding the business environment and its likely effect in the financial conditions of the bank. We wish to caution you that these statements are based on management's expectations, estimates, projections and assumptions. Words such as "expects," "anticipates," "plans," "believes," "scheduled," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements, which include but are not limited to projections of revenues, earnings, cash flows. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results and trends may differ materially from what is forecast in forward-looking statements due to a variety of factors, which are:

- ◆ Changes in the general economic condition resulting from natural calamities and political disturbances;
- ◆ Changes in monetary & fiscal policy budget;
- ◆ The effect of changes to our credit rating;
- ◆ Amendments to, and interpretations of, risk-based capital guidelines and reporting instructions;
- ◆ The risk that the Bank's risk management models may not take into account all relevant factors;
- ◆ Changing customer demand or preferences for business, including the effects of economic conditions on the business;
- ◆ Changes in government policy issues;
- ◆ Increase in Tax, VAT on banking services;
- ◆ Increase in CRR and SLR of the banks;
- ◆ Lending rates to finance essential items;
- ◆ Provisioning requirement would change the ROA and ROE;
- ◆ Volatility in interest rates and currency values;
- ◆ Volatility in capital market arising from speculations;
- ◆ Changes in international prices of essential which is putting pressure on foreign exchange market resulting in volatility in the Foreign Exchange market;
- ◆ International embargo on certain countries is likely to affect remittances and trade;
- ◆ The accuracy and completeness of information of the Bank receives on customers and counterparties;
- ◆ The Bank's ability to expand existing distribution channels and to develop and realize revenues from new distribution channels;
- ◆ Compliance issues raised by the international forums which are likely to affect the export growth.
- ◆ The preceding list of important factors is not exhaustive. When relying on forward looking statements to make decisions with respect to the Bank and its securities, investors and others should carefully consider the preceding factors, other uncertainties and potential events. The Bank does not undertake to update any forward looking statements, whether written or oral, that may be made from time to time by or on its behalf.

NRB Bank

At a Glance

Name of the Company NRB Bank Limited	Authorized Capital BDT 10,000 million	Chairman Mr. Mohammed Mahtabur Rahman
Legal Form Public Limited Company	Paid-up Capital BDT 4665.60 million	Vice Chairman Mr. Tateyama Kabir Mr. Mohammed Jamil Iqbal
Registered Office Uday Sanz, Plot # 2/B, Road # 134, Block- SE (A), Gulshan South Avenue Gulshan-1, Dhaka-1212, Bangladesh.	Total Capital (Tier-i & ii) BDT 6013 million	Managing Director & CEO Mr. Mamoon Mahmood Shah
Date of Incorporation 19 March 2013	Total Asset BDT 55,363 million	Deputy Managing Director Mr. Md. Abdul Wadud Mr. Md. Shakir Amin Chowdhury
Formal Inauguration 04 August 2013	Statutory Reserves BDT 661 million	Chief Risk Officer (Acting) Mr. Mohammed Shaukat Ali
Company Registration No. C-108030/13	Capital Adequacy 16.07%	Chief Financial Officer Mr. Md. Kamrul Hasan
Bangladesh Bank Permission No. BRPD (P-3)745(61)/2013-1932 April 25, 2013	Earnings Per Share BDT 1.44	
Delivery Channels ◆ No. of Branches-47 ◆ No. of Agent Outlets- 320 ◆ No. of ATMs-47 ◆ Real-time Online Banking ◆ Internet Banking ◆ SMS/Alert Banking ◆ Debit/Credit Card with Global Access ◆ Shared Network across the Country ◆ NRB Click App	Net Asset Value Per Share BDT 12.44	Company Secretary Mr. Md. Hasanul Haque
Credit Rating Short Term : ST-2 Long Term : A	Accounting Year-end December 31	Tax Consultant M/s. K. M. Hasan & Co.
Total Manpower Employee: 623	Credit Rating Agency Emerging Credit Rating Ltd.	Auditors M/s. Hoda Vasi Choudhury & Co., Chartered Accountants
Email info@nrbbankbd.com	Contact Centre (+88) 09666456000, 16568	SWIFT Code NRBDBDDH
	Website www.nrbbankbd.com	



Company Milestones

2013

07 February

Bangladesh bank issued no objection Certificate for registration with RJSC as Banking Company

19 March

Issued Certificate of Incorporation and RJSC Certificate for Commencement of Business

09 April

Held 1st Board Meeting

18 April

BSEC Issued Letter of Consent for raising of paid-up capital

25 April

Received Banking License from Bangladesh Bank

30 April

Gazetted as Schedule Bank in Bangladesh

28 May

Officially Launched at Pan Pacific Sonargaon Hotel

01 August

Bangladesh bank Issued 1st Branch License

04 August

Inaugurated it's Main Branch

14 September

Held Statutory meeting
Inaugurated it's Gulshan Branch

16 September

Inaugurated it's Sylhet Main Branch

28 December

Inaugurated it's Chittagong Main Branch
Inaugurated it's Joypara Branch

2014

23 March

Launched arrays of retail Banking Products

25 March

Inaugurated 1st offsite ATM at Dhanmondi

22 June

Held 1st Annual General Meeting
Celebrates 1st Anniversary at Pan Pacific Sonargaon Hotel

23 June

Launched it's eBanking
Launched it's Call Centre

14 August

Inaugurated it's Ashulia Branch
Inaugurated it's Hotapara Branch

16 August

Launched it's SME Banking

18 August

Inaugurated it's Bogra Branch

31 August

Launched it's VISA EMV Debit Card

01 November

Launched it's VISA Credit Card

10 December

Inaugurated it's Uttara Branch

28 December

Inaugurated it's Panchdona Branch

2015

26 February

Inaugurated it's GEC Moor Branch

12 April

Inaugurated it's Dilkusha Branch

14 June

Held 1st Extraordinary General Meeting
Held 2nd Annual General Meeting

15 June

Inaugurated it's Moulovibazar Branch

10 August

Inaugurated it's Satkania Branch

08 September

Launched it's VISA Platinum Credit Card

21 December

Inaugurated it's Atibazar Branch

2016

24 January

Inaugurated it's Chawkbazar Branch

08 February

Launched Home Loan
Launched My Study Loan

10 May

Inaugurated it's Zazira Branch

26 June

Held 3rd Annual General Meeting

29 August

Inaugurated it's Khulna Branch

30 October

Gulshan Branch shifted to new location
Principal Branch shifted to new location

28 December

Held 2nd Extra Ordinary General Meeting

2017

02 January

Inaugurated it's Sylhet Main Branch

22 January

Inaugurated it's Pallabazar Branch

01 March

Launched the Card Cheque facility for its Credit Cardholders.

30 July

Inaugurated it's Rajshahi Branch
24 September
Inaugurated it's Rahimanagar Branch

16 October

Inaugurated it's Dhanmondi Branch

17 October

Inaugurated it's Comilla Branch

18 October

Inaugurated it's Mograpara Branch

19 November

Inaugurated it's Sreepur Branch

26 November

Inaugurated it's Shafipur Branch

10 & 17 December

Held 4th Annual General Meeting

20 December

Inaugurated it's Feni Branch

24 December

Inaugurated it's Ghonapara Branch

26 December

Inaugurated it's Pahartali Raozan Branch

27 December

Inaugurated it's Kazirhat Branch

2018**06 May**

Bondhu Agent Banking on pilot basis Launched

20 May

Chattogram Main Branch Shifted to new location

08 June

GEC Moor Branch Shifted to new location

28 June

Held 5th Annual General Meeting

22 July

Inaugurated Bondhu Agent Banking at Balinga Bazar, Sylhet

29 July

Inaugurated own Institute of Learning & Development

23 September

Inaugurated it's Kadomtoli Branch

30 September

Launched SME Loan through agent outlet

13 December

Inaugurated it's Ishwardi Branch

22 December

Inaugurated it's Mirpur Branch

23 December

Inaugurated it's Medical Road Branch

2019**14 February**

Inaugurated it's Debidwar Branch

20 February

Inaugurated it's Panchabati Branch

06 May

Launched Debit Card for Agent Banking Customers

31 July

Launched new retail product "Millionaire Savings Scheme"

21 November

Inaugurated it's Nayabazar Branch

24 November

Inaugurated it's Purbachal Branch

28 November

Inaugurated it's Jashore Branch

04 December

Inaugurated it's Jaflong Branch

2020**15 March**

Launched Bank's Mobile Banking App NRB Click







CORPORATE GOVERNANCE

From the Office of

The Chairman





Bismillahir Rahmanir Rahim

Dear Fellow Shareholders,

Assalamualaikum. I hope you all are having a great day today. It is my privilege to welcome you all to the 8th Annual General Meeting of NRB Bank Limited. It is a great honour to present you the Annual Report and audited financial statements of the year 2020.

Before moving into the facts and figures, I want to mention one important issue that, year 2020 has been a tough journey for the local and global business due to the direct and indirect effects of COVID-19. In fact, the adverse impact of COVID-19 pulled the growth in many sectors that have been sustained by the bank for last 8 years. As a saviour strategy, moderate revenue generation approach became a preferred choice to ensure sustainability in growth of the business. Swiftly we responded to the escalating disaster by consolidating our business operations that are linked to a widened network of 47 service points across the country. We continued our presence over numerous industry segments, some of which lay in societies seriously torn by the pandemic. Our board is dedicated to provide guidance to the management body to ensure uninterrupted service to our customers while maintaining all regulatory advice. We also took measures to ensure maximum health-safety to the front liner staff of the company. Being an abiding corporate citizen, we have an obligation to help the society to overcome the crisis. We took broader initiatives to assist the customers about any change in the regulations and tools of customer service. We hope that all our painstaking efforts will pay off even during the pandemic in future. Regardless of the crisis, we are always proud of our employees' readiness in meeting the customers' demand with full dedication.

The Bank has made concerted efforts to attain sustainable growth while supporting the needs and aspirations of our customers also being mindful of our corporate role in achieving national economic goal. It befits the occasion to place on record our sincere appreciation of the effort taken by government authorities to contain the outbreak of COVID-19 and we look forward to doing our part to stimulate country's economic recovery in the coming year. The goal requires, in particular, a commitment to supporting CMSME, agriculture and other underserved sectors of the economy along with the empowerment of women entrepreneurs.

Despite the challenging business environment and banking operations, revenue and profitability, NRB Bank Ltd. ended the year 2020 with a satisfied terms of deposit base, loan portfolio, better liquidity and higher provision cover compared to most of the peer competitors. This is definitely a sign of upcoming opportunities to benefit from the increased credit demand in the upcoming year. This is important to mention that we have made dedicated efforts to attain the potential growth in need of the market and also to secure our corporate role in achieving national economic goal. The goal is to comply with the CMSME, Agriculture and underserved sectors along with empowering the women entrepreneurs.

The Board and the Board Sub-Committee have given much attention to all the matters related to

the policies and procedures of the Bank and ensured that discussions and

decisions will be inclusive, unanimous and deliverable. The Board is always aware of the responsibility to mitigate any unexpected consequences arising from the pandemic in future; Especially regarding the potential rise in NPL portfolio on expiry of business policy support. The high liquidity level will also support to cope with any shortage in cash flow in future.

To strengthen the capital base of the bank, we are ready to infuse Tier-1 capital by exploiting various market mechanisms and tools. As on the balance sheet date, Bank's Tier-1 capital adequacy ratio maintained at 14.62% is higher than the minimum regulatory requirement of 6% while Tier-1 and Tier-2 capital together stands at 16.07% comfortably above regulatory requirement of 12.50%. Under operational restriction and policy control due to pandemic situation, the Bank was able to post operating profit for the year of BDT 950 million indicating a growth of 2.70% over the preceding year. However, profit after tax increased by a remarkable 635% with a declined Cost of Fund, lower provisioning requirement and bank's goal on cost control. Everything is achieved through best possible use of virtual platform in banking communication. A structured management of balance sheet enabled the bank to enhance deposit by BDT 21.13 million to a total of BDT 41.83 billion at year-end while loans and advances edged up to around BDT 38.85 billion through a moderate growth of -0.22% with a balanced share among corporate, retail and CMSME. These two major items of the balance sheet contributed much to increase the total asset base to BDT 55.36 billion as at December 31, 2020 posting a reasonable growth of 1.17%. The Bank successfully managed to bring down its NPL ratio to 3.71% from 4.14% of 2019 – this demonstrates our shift to a

better credit quality while we apprehend the possibility of NPL rise in neo-normal situation once the relaxation on classification rules ends in the near term. The Bank continued to make significant investment in products, people and technology and generally broadened market share across the businesses.

Despite all the national challenges in the Banking industry, it is really a pleasure to emphasize on numerous positive outcomes from 2020. Our credit quality was ensured to remain un-phased in the midst of highly regulated segment of credit operation. In 2021, we ensured acute focus on the recovery of classified loans, avoiding further classification and ensuring compliance with all regulatory requirements. Following the correct loan philosophy, we are backed by a strong credit administration that is focused on managing and minimizing risk. Emerging Credit Rating Ltd. (ECRL) has awarded 'A' rating in the Long Term and 'ST-2' rating in the Short Term to NRB Bank Limited in consideration of financials up to 31 December 2020 including other information up to the date of rating declaration, 30 June 2022. Regarding our other sectors of services, I am pleased to inform that we were able to develop and provide progressive services with top-notch quality in a short amount of time. Our corporate, SME and Retail banking service has already achieved admirable success. We have also taken various IT based services to step in line with our closest competitors.

Our Bank believes that carrying out Corporate Social Responsibility (CSR) helps in tangible value creation resulting in a positive image for the bank. Since the beginning of the journey, NRB Bank Ltd. was committed to serve the social responsibilities alongside the commercial operations. We spent a total of BDT 42.715 million to carry on various CSR initiatives, with BDT 11.230 million in the preceding year. All our CSR activities are divided in segments according to geographical area. The Bank will always comply with the needs of the nation.

Respected Shareholders,

Corporate Governance reflects the built in value system of the bank in conducting its day to day affair. NRB Bank honors the importance of corporate governance for smooth operations of the bank. The structures and processes of continuous monitoring ensures to achieve the strategic objectives to serve the interest of the Bank and its Shareholders. The Board is always providing policy guidelines & directions to the management to attain the short and long term goals. . For the sake of providing strategic support to the Board, different committees, namely the Executive Committee, Audit committee and Risk Management Committee are actively performing and providing the best support. Good governance is based on the principles of:

- ◆ Conducting business with integrity and fairness
- ◆ Ensuring transparent transactions,
- ◆ Making all relevant disclosures as per the various regulations in force
- ◆ Complying with the laws of the land
- ◆ Ensuring accountability when dealing with the stakeholders; and
- ◆ Commitment for conducting the business in an ethical and transparent manner

On behalf of the Board, I want to mention that, a Code of Conduct has been set to address integrity, conflicts and any issues that stress the need of ethical conduct. Good governance is the expected outcome from this code of conduct. Our bank is always maintaining a framework to set the best practice of ownership, management and accounting. The Bank is also committed to follow high disclosure standards and transparency in financial reporting so as to keep investors and stakeholders adequately well-informed and updated at frequent intervals. Disclosures in compliance with the codes are set out in the Annual Report. Strategically, the Bank's governance quality and management bandwidth are also being enhanced to cope with the emerging rigors of the banking and financial sectors.

Today, I am very happy and proud of the way we handled the COVID-19 pandemic and am overwhelmed the way customers and shareholders have rested faith in us. Despite facing the unforeseen shockwaves, we were on track to deliver a solid performance which exhibits the level of our courage, determination, passion and spirit. In 2021, we foresee the global and local economy and business conditions will still remain challenging. Hence, we must continue to remain alert to the situation and respond timely. The Board will continue to supervise management's role in striking the right balance between utilizing growth potentials and the appropriate risk controls. I am convinced that it will further strengthen the foundation of this Bank and will secure better risk-adjusted return. I would like to thank our people for their great personal dedication and passion to perform as a team to achieve our goals while building a strong foundation for the future. We are grateful to regulators, especially Bangladesh Bank for their constant support and guidance for supporting us in delivering excellence. We also appreciate the effort taken by the Government to minimize the effects of the pandemic and we are ready to contribute to the recovery of the economy in the coming year.

Thank you for your presence today. Allah Hafez



Mohammed Mahtabur Rahman
Chairman of the Board of Directors



Managing Director & CEO's

Roundup





Dear Shareholders

I extend you all a very warm welcome to the 22nd Annual General Meeting of our Bank and express my heartfelt compassion & empathy in this very difficult and unsettling COVID-19 pandemic situation. Insha-allah, we will come out of this trying time with our health and resilience.

I hope that you are doing well and keeping safe and healthy. As the country is reeling under the pandemic, it has disrupted our collective sense of the 'NORMAL'. However, we have already embarked on a new 'REALITY'. I believe that we will emerge out of this crisis stronger, more resilient and wiser.

Before I deliberate on various aspects of my address, let me take this opportunity to pay our sincere gratitude to each and every one working at the frontline combating the pandemic in order to make the world safer and more convenient for all of us - the medical community, sanitization workers, essential services providers including bankers and the law enforcement agencies.

Global Economy



The Global Economy is facing a downturn due to COVID-19 Pandemic. Although global economic activity is growing again, it is far from returning to business-as-usual. The pandemic has caused severe loss of life, tipping millions into extreme poverty, and is expected to leave a long-lasting mark for the years to come. The incipient recovery was initially supported by the partial easing of stringent lockdowns. Various restrictive measures have been reintroduced, however, as COVID-19 continues to spread around the world. There has been substantial progress in the development of effective vaccines, and inoculation has begun in some countries. A general rollout in advanced economies and major emerging market and developing economies (EMDEs) is expected to proceed early this year. Following the initial rebound in mid-2020, the global economic recovery has slowed. Whereas activity and trade in the goods sector have improved, the services sector remains anemic, with international tourism, in particular, still depressed. Even though financial conditions remain very loose, reflecting exceptional monetary policy accommodation, underlying financial fragilities are mounting. Most commodity prices rebounded from their mid-2020 lows as strict lockdowns were gradually lifted and demand firmed. However, the recovery in oil prices was more modest amid concerns over the pandemic's lasting impact on oil demand. In advanced economies, the initial contraction was less severe than anticipated, but the ensuing recovery has been dampened by a substantial resurgence of COVID-19 cases. Prospects for the global economy are uncertain, and several growth outcomes are possible. In the baseline forecast, global GDP is expected to expand 4 percent in 2021, predicated on proper pandemic management and effective vaccination limiting the community spread of COVID-19 in many countries, as well as continued monetary policy accommodation accompanied by diminishing fiscal support. Nonetheless, the level of global GDP in 2021 is forecast to be 5.3 percent below pre-pandemic projections or about \$4.7 trillion. After this year's pickup, global growth is envisioned to moderate in 2022 to 3.8 percent - still above its potential pace, but weighed down by lasting damage from COVID-19. By 2022, global GDP is still expected to be 4.4 percent below pre-pandemic projections. Advanced economies are projected to recover, with growth reaching 3.3 percent and 3.5 percent in 2021 and 2022, respectively, on the back of pandemic containment aided by widespread vaccination and sustained monetary policy accommodation, which is expected to more than offset the partial unwinding of fiscal support. Although aggregate EMDE growth is envisioned to firm to 5 percent in 2021 and to moderate to 4.2 percent in 2022. The pandemic has caused per capital incomes to fall in more than 90 percent of EMDEs, tipping millions back into poverty. For more than a quarter of EMDEs, the pandemic is expected to erase at least 10 years of per capita income gains and, in about two-thirds of EMDEs, per capita incomes are projected to be lower in 2022 than they were in 2019. In low-income countries (LICs), activity in 2020 shrank 0.9 percent the first aggregate contraction in a generation. Growth is forecast to resume at a moderate pace in 2021-22, averaging 4.3 percent. Nonetheless, output in LICs is expected to remain 5.2 percent below its pre-pandemic projections by 2022.

Global cooperation will be essential for supporting vulnerable populations and achieving a sustainable and inclusive global recovery. In light of substantial fiscal constraints and high debt levels, globally coordinated debt relief, predicated on debt transparency, could help many economies particularly LICs and provide much-needed fiscal resources to support social protection programs. More broadly, deeper global collaboration will be needed to develop equitable and sustainable solutions to the world's most pressing long-term challenges, including tackling climate change and eliminating extreme poverty.

Aggressive policy actions by central banks kept the global financial system from falling into crisis last year. Banks' capital buffers are under pressure due to falling profitability and asset quality deterioration. Defaults have already surged in the

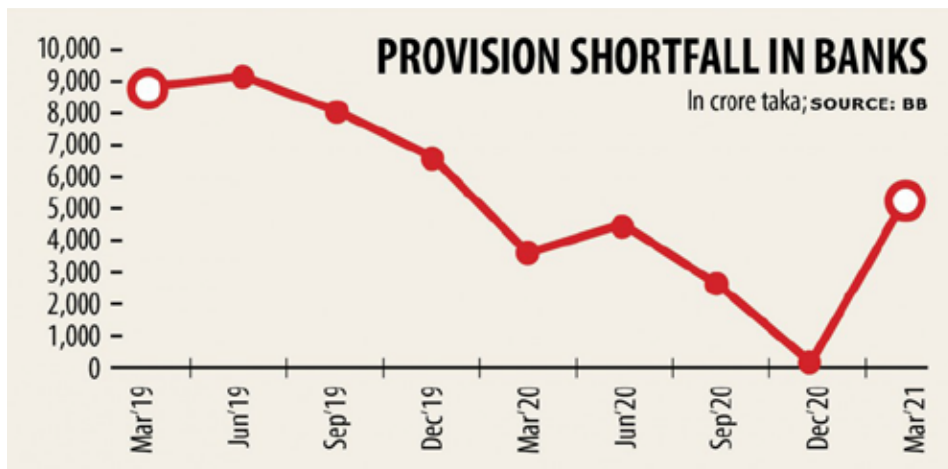
hardest-hit sectors and countries, and rising credit downgrades point to further strains in the future. These developments reduce the resilience of financial systems, particularly in countries with weaker banking systems or without the policy space to provide sufficient support to stressed financial institutions.

Bangladesh Economy and its Banking Sector

The economy of Bangladesh grew 5.24 percent in the last fiscal year FY20 despite the impact of coronavirus pandemic against a record growth by 8.15% in FY19. While the per capita GDP increased to USD 1,970 in the last fiscal which was USD 1,828 in FY19, according to the provisional estimation of Bangladesh Bureau of Statistics (BBS). According to BBS, the GDP growth rate at constant prices in the industry sector increased by 6.48 percent in the last fiscal year which was 12.67 percent in FY19. In the services sector, the GDP growth rate increased by 5.32 percent in FY20 while it was 6.78 percent in FY19. In the agriculture sector, the GDP growth rate increased by 3.11 percent in FY20 while it was 3.92 percent in FY19. Sector-wise growth rate of GDP indicates that the Industry sector continued to achieve the highest growth followed by Service and Agriculture sector which reflects the sustainable growth prospect of the economy. The BBS data also showed that in the last fiscal year, the investment ratio to GDP stood at 31.75 percent which was 31.57 percent in FY19. The private investment ratio to GDP increased to 23.63 percent in FY20 while the public investment ratio to GDP stood at 8.12 percent. The inflation rate declined by 0.23 percent on a point-to-point basis in December 2020 and came down to 5.29 percent in December last year from 5.52 percent in November. Besides, the banking sector was suffering from high non-performing loans (NPL). The provision base of the banks in Bangladesh deteriorated heavily in the first quarter of 2021 because of the surging bad loans, highlighting the worsening health of the banking industry.

The shortfall ballooned more than 42 times to Tk 5,228 crore in March 2021 compared to Tk 123 crore three months ago, data from Bangladesh Bank showed.

The deficit was up 45 per cent year-on-year. Experts say banks should have strengthened their provision base last year to avoid the widening of the shortfall.



A provision shortfall occurs when a financial obligation exceeds the amount of cash available. It can be temporary, arising out of a unique set of circumstances, or persistent, indicating poor financial management practices.

Banks have to earmark 0.50 per cent to 5 per cent of their operating profit as a provision against general category loans, 20 per cent against classified loans of substandard category, and 50 per cent against classified loans of doubtful category. It has to set aside 100 per cent against classified loans of bad or loss category.

The provision situation may erode further as default loans may escalate in the coming days because of the ongoing business slowdown. Between January and March, the shortfall increased due to the lacklustre performance of 11 banks, which faced a combined deficit of Tk 12,650 crore. Some banks fared well during the quarter, preventing the shortfall from soaring further. Some of the 11 banks have been facing a shortfall for years due to a lack of corporate governance. The shortfall of the state-run banks stood at Tk 10,727 crore, which resulted from a wide range of financial scams. Janata Bank alone had a shortfall of Tk 5,255 crore, central bank data showed.

The provision shortfall narrowed throughout 2020 when borrowers were granted moratorium support from the central bank due to the economic hardship brought on by the coronavirus pandemic. The payment holiday had barred banks from downgrading the credit status of their borrowers even if they failed to pay instalments regularly. As a result, defaulted loans did not increase on paper, allowing lenders to put aside a lower amount of funds to cover bad loans. The central bank withdrew the moratorium partially in March, which pushed up both the non-performing loans (NPLs) and the provision shortfall. NPLs stood at Tk 95,085 crore in March, up 7.1 per cent from three months earlier and 2.8 per cent year-on-year.

Growth Prospects

Despite the pandemic, Bangladesh economy is set to post the third highest growth in the world and the highest in Asia in 2020, according to the International Monetary Fund. To protect the people and the economy, the government rolled out a massive Taka 72,750 crore stimulus packages, one of the largest in the world, to counter the adverse effects of coronavirus. It capped bank interest rates below single digit to help firms and businesses borrow at a record low rate. Multilateral banks and bilateral partners poured billions of dollars to cushion Bangladesh.

But the biggest support came from farmers who continue to feed the country and the migrant workers who proved the grim forecasts wrong, sending home a record amount of remittance. The robust flow of remittance lifted the country's foreign exchange reserves to record highs of 44.02 billion in February 2021 and put the country on a firm footing.

For Bangladesh, the outgoing year 2020 was a challenging one. In fiscal year 2020, prior to the outbreak of the pandemic, the Bangladesh economy was somewhat under stress due to the weak

performance of a few economic indicators such as exports, imports, private investment, foreign direct investment, and revenue mobilization. Besides, the banking sector was suffering from high non-performing loans (NPL). Bangladesh's GDP growth is forecast to slow down to 1.6 per cent in the fiscal year 2021 as the country struggles with the devastating impact of the lingering Covid-19 pandemic, the World Bank said in its twice-a-year-regional update. The latest South Asia Economic Focus report also warns of a hardest recession in South Asia, of which Bangladesh is a part. Bangladesh has achieved GDP growth at more than 6 percent on an average during the last decade. According to Bangladesh Bureau of Statistics (BBS), the GDP growth in FY2015-16, FY2016-17 and FY2017-18 stood at 7.11 percent, 7.28 percent and 7.86 percent in FY2018-19 the GDP growth stood at 8.15 percent. As per provisional estimate of BBS, the GDP growth is 5.24 percent in FY2019-20 which is the lowest since FY2008-09, this situation has been created mainly because of the outbreak of COVID-19 pandemic.

Financial Performance

Amidst the prevailing economic condition of the country, NRB Bank Limited has taken the strategy to maximize the profitability from the existing business portfolio so as to add value to the shareholders wealth. As a result deposit growth posted 0.05% as on 31-12-2020 compared to last year 2019.

Shareholder's Equity is increased by 13.18% to Tk. 5804 Million from Tk. 5128 Million of 2019. Despite the insignificant growth in the operating profit, outstanding growth is evidenced in the Profit before Tax (PBT). PBT has, as such, increased by 1113% to Tk. 949 Million as on 31-12-2020 from the last year 2019. PAT has significantly increased by 635% to Tk. 671 Million as on 31-12-2020 comparing with the last year.

EPS has stood Tk. 1.44 per share compared to last year's EPS of Tk. -0.27 per share. NPL has been declined by 0.42% to 3.71% as on 31-12-2020 compared to last year NPL of 4.14%. ROA and ROI has been posted by 1.22% and 12.50% respectively as on 31-12-2020.

We, at NRB Bank, ensured our level best to add value to the real economy of Bangladesh by helping small, medium and large businesses grow. Our efforts were focused towards

improving the deposit mix targeting to reduce the cost of fund. Simultaneously, efforts were on to maintain assets quality and look for diversified sectors with emphasis on non-funded business.

Consequently the Bank had been able to maintain a strong position in all key areas of operations. An abridged summary of our financial performance together with the last year's comparison are presented below.

Technology up-gradation for digital banking services

In terms of digitalization, Information and Communication Technology has become an inevitable part of today's modern business and its operation. The Bank successfully up-graded its IT & ADC platform and installed the core banking software "Flexcube" and currently all branches of our Bank are running under core banking solutions enabling them to provide real time on-line banking services to its clients. The bank has been maintaining a modern Data Center (DC) in order to secure its information through Disaster Recovery Center (DRC) to make sure that bank will not lose any data in case of any disaster.

We have strong focus to systematically automate and streamline all aspects of the operations and facilitate seamless integration among key business processes. Our investment in technology is making our business simpler, safer and easier for our customers to use. And, this facility allows the customer to bank from anywhere, anytime with total security and confidentiality. Besides, we are determined to keep our commitment towards combating against financial and cyber-crime and continue to invest heavily in improving our standard in the industry.

Our Customer Services

As our motto says "Not Just Another Bank", we always believe in better customer services to prove it. Our business can only thrive if our customers feel that we are helping them in meaningful ways. We are here to help our clients— whether they are local or international companies fostering trade and investment, or individual customers who seek assistance in managing their wealth. We strive to earn and maintain our customers' trust by constantly adhering to the highest Ethical standards. Everything we do in NRBBL should be in our customers' interest and create economic value. This inspires the structure of our products, the delivery of our services and the principles that run through our business. We have made tangible changes in our Customers' service experience.

Our innovative products and Services

We introduced and redesigned some asset and liability products in 2019 for our Retail and SME Customers. We have launched many innovative products and services during the year, many of which are customized to meet the requirements of our customers. Our innovative products and Services are;

Deposits products: SME equity planner for small business, millionaire By Paying Monthly Installment, Benefit First (a term deposit scheme that offers upfront interest payment), monthly benefit scheme for longer tenure

Loans products: Foshol, prantik, khamar, ogrojatra

SME products: NRB Pashe, NRB Prerona, NRB Proshar, and NRB young entrepreneur

NRB Agent Banking: NRB bank has already introduced 316 agent outlets in 2020 for agent banking services and almost 15 agent outlets will be set up in 2021 We have over 92 thousand customers, who recognize the brand as a reliable partner. We continue to improve our services, understand their needs, provide innovative solutions and build long-term relationships based on trust and transparency.

Our Sustainable growth

Looking at our 2020 business outcomes, you can see that we remained spot-on to our committed growth strategy. We grew by focusing on serving our customers and clients holding on to our manifesto "Not Just Another Bank" and managing risk at the same time. We also are focused on achieving growth that is sustainable. Sustainability has three key components: Being the best place to work for our Team, sharing our success, and operational excellence. To share our success, we focus on environmental, Social and Governance [ESG] activities, Corporate Governance practices, our



philanthropy, in addition to many other activities. Banks need to help businesses activities in a socially responsible way. This includes a number of things, such as supporting businesses that cut carbon emissions and make the transition to the Green Economy; financing innovation in Green Technology; encouraging businesses to operate in a new way that support local communities, respect human rights and encourages inclusive growth, and so on.

In our quest of bringing the unbanked population into the financial system, enabling them to benefit from our services and products, we have established Agent Banking. As a franchisee based operating model, this carries the benefit of low-cost, high-impact and scalable banking representative of the true spirit for including the segments which are excluded from it. Within a short span of time, we have been able to sign up 320 number of Agent outlets in 66 Upazilas of 29 districts. Notably, we provide an undiluted “Bondhu Agent Banking” experience to our agent banking customers with aspiration of creating a ‘laddering’ effect under which the Bank hopes to expand along with the growth of these customers.

Taking care of Communities

NRB Bank Limited is quite conscious about its social responsibility. We are serving the Humanity through different welfare activities giving emphasis on Health, Habitat & Education. The Bank evaluates the environmental effects of projects in investment process and the projects found detrimental to the environment are not approved for financing. Our involvement in charities, scholarship program and other philanthropic events enable us to address important community concerns, build and maintain relationships and play a role in the society beyond simply that of wealth creation. More and more welfare activities and Institutional Development Programs will be drawn in future, Insha-Allah to the cause of serving our communities and the country as a whole. There is much more we accomplished to serve community which earned commendation from people from all walks of life. We have distributed cloths and essentials to the distressed community like flood affected people, cold-hit people, Rohinyghas, etc. to ease their life.

Human Resources Training and Development

Our employees are integral part to our commitment in order to uphold trust and pride

in the customers. We continued to focus on investing in staff training, learning and development with intention to improve the skills of its employees and to drive the bank towards delivering best of the performances. We had been able to set-up a full-fledged Training Academy namely The Institute of Learning and Development (ILD). A good number of officials of the Bank took part in different training programs/seminars, workshops both at home and abroad besides in-house training courses, workshops and seminars on every aspects of Banking throughout the year. To keep the employees motivated, performance rewards, promotions, accelerated promotions and incentives etc. are awarded on a regular basis.

NRB Bank's Agent Banking footsteps

I am very pleased to inform you that, after starting NRB Bank Agent Banking operation on 6th May, 2018, we have already inaugurated 304 Agent Outlets (both Individual and UDC-based) till reporting at different Upazillas of Brahmanbaria, Gazipur, Sylhet, Manikgonj, Bogura, Jashore, Chadpur, Rangpur, Tangail Rajshahi, Khulna and chattogram Districts. Though we still have to go a long way and consider it as just the beginning, the growth we have already achieved in a short span of time is a remarkable one. NRB Bank Limited crafted a unique Agent Banking Model with technology based banking concept ensuring appropriate security with real-time banking for customers who stay in far flung area. In 2020, NRB Bank is going to establish more agent outlets with strong commitment of bringing unbanked people within the fold of banking system.

Looking forward

The year 2020 was a demanding year in many respects and an evidence to the talent and professionalism of all my colleagues who successfully met its challenges along the way. Despite challenging market conditions, we are committed to our goals. We remain cautious about the downside risks of the current economic environment, global trade tensions and the future movement of interest rates. We will be proactive in managing costs and investment for revenue growth where necessary, but we will not take short-term decisions over long-term interests of the business. We always have forward-looking perspective to furnish needs of our customers and actively seek opportunities to achieve competitive advantage. We have an excellent team, a shared set of priorities and proven track record of good performance and with all these, we do look forward to yet another year of success.

Business STRATEGIES FOR 2021

Develop an effective monitoring process on the existing portfolio to maintain asset quality having moderate BAU business growth is comparatively wiser option then look for new business opportunity. These includes i.e. non-funded maturity profile monitoring, regular funded facility monitoring including time extension & margin build up, rescheduled and restructured account monitoring in line with Bangladesh Bank purview, forced loan account monitoring along with margin build up, term loan account monitoring along with moratorium, pending BB NOC etc, Overdue internal bills status of including reasons for liability not being settled, special format to monitor RMG/Construction/Work Order/Ship-breaking etc specialized sector.

In order to be successful in the backdrop of this rapidly changing competitive sector, we have prepared ourselves befittingly. Our strategy is to continue the business steadily for a sustainable growth. Better management of our exposure in corporate/commercial business and diversification of portfolio are our main focus.

Among others the following are our priorities for 2021 –

- ◆ Islamic Banking window will commence its operations in the First half of 2021 to increase the volume of deposit as shariah based banking is very much popular in Bangladesh.
- ◆ Capital Market is showing good vibes in recent times. On 30 December, DSEX – the broad based index at the Dhaka Stock Exchange (DSE) – closed the year with a 21.3% hike to recover most of the 17.3% and 13.8% losses in the previous two consecutive years Significant number of IPO is approved by the regulators and planned to debut in the first half of the Year 2021. Prudent investment in Capital market may boost the profit of the bank provided that current positive trend continues.

- ◆ Focusing more in Small Ticket Business may push the profit of the bank. As general provision requirement and credit risk of SME loan is significantly lower than that of other loan, expanding SME loan will not pose any major threat.
- ◆ Bank can earn brokerage fees by trading stock in the stock market through obtaining TREC License from DSE. It is worth mentioning that TREC License is less expensive than conventional Brokerage House license.
- ◆ Weighted average Transfer Pricing rate will be implemented this year.
- ◆ Special Asset Management Unit (SAMU) has been formed in order to increase the recovery rate and maintain the NPL at the lower level range.
- ◆ Off Shore banking will be established which will increase the facilities to capture new business opportunity (e.g. Foreign Trade, Export etc.).
- ◆ QR payment has been inaugurated. This will help to increase the merchant point which will ultimately lead to increase the CASA accounts of the bank, increase the customer base and brand value of the bank.
- ◆ Non funded business can be sourced through EGP that will help the bank to increase zero cost deposit, it will also boost up commission and fees earning.
- ◆ Investing in Treasury instruments and managing the current investment portfolio prudently will maximize the profit of the bank.
- ◆ Participation in distributing stimulus packages declared by the government is also deemed profitable if due diligence can be ensured.
- ◆ As government is subsidizing some of the interest and providing refinancing facilities for some of these stimulus package loan, it will minimize the credit risk of the bank in some extent.
- ◆ Availing SME refinancing and achieving the Green Banking, Agriculture loan target will increase the rating of the bank.
- ◆ Invest and trading in Govt. securities Instruments upon availability of fund and better rate of return.

- ◆ Investment in alternative bonds e.g. Subordinated Bond, Corporate Bond, Zero Coupon Bond.
- ◆ Arbitrage in short term placement with banks and NBFIs.
- ◆ Borrowing through repo, call, Swap & Term to cover the deficit of investment/ deposit for interim period. In addition to that generate income through Reverse Repo.
- ◆ Improve the green back position of the bank so that significant exchange gain can be made. In order to boost up the exchange gain, we need cooperation from other stakeholders of the bank.
- ◆ Reduce dependency from High Volatile Deposit.
- ◆ Being a tech savvy 4G Bank, Fintech solutions & Digital marketing will be exploited consistently to attract new generation customers.
- ◆ Re-pricing the existing Non-Funded fees and charges to recover the income dent, triggered by 9% ending cap, as much as possible subject to rigorous and fruitful discussion with the client in order to avoid relationship damage
- ◆ Non-Funded business through Re-financing scheme and export based import are the priorities of the year 2020. Emphasize on a particular segment will make an equilibrium between export and import of the bank and will not necessarily include the fund requirement. More emphasis will be given on Service Sector & Trading business considering less vulnerability to interest rate risk, which could ensure NFI income and better rate of return.

Cost Reduction Strategies:

NRB Bank adopted cost reduction strategies in 2020 to handle/face COVID 19 so as to fetch a positive cap on the profitability. Operational cost shall be rationalized without extending Branch networks in 2020 and through cost effectiveness. HR performance are closely aligned with real performance so as to reduce HR cost. Existing set up of HR pursued the business and operations in 2020 with multi-tasking capability. Technology based operational activities has been introduced to cater services for customer and in-house stakeholders. Business/conference through zoom are being conducted to solicit business so as to reduce operational cost. Each and every items of cost are examined/scrutinized very carefully to rationalize or bring down cost to a level wherefrom we can ensure maximum output. As a result, operational cost has been possible to maintain to Tk. 1489 Million as on December 2020 by reduction of Tk. 13.69 Million from the last year 2019.

Acknowledgment and appreciation

I forward my sincere appreciation to the Regulatory Authorities, especially Bangladesh Bank for providing relevant guidance, policy and support, and to Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited for their kind cooperation. I am thankful to the members of the Board of Directors for not only guiding the Management in implementing the policies and guidelines set by them but also for their relentless support in prioritizing the health & safety of the Bank's employees and customers above everything else during the outbreak of Covid-19 pandemic.

I must express my gratitude to our respected shareholders, valued customers and all other stakeholders for believing in the Bank's Management. It goes without saying that I am ever so grateful to my dear colleagues for putting up a brave face and taking care of Customers' Banking needs during the Covid-19 pandemic to make sure that the Bank remains successful in providing best in class service to its customers at all times. We look forward to the next financial year with confidence and resolute dedication. Let there be good days ahead for all of us. May the Almighty Allah bestow His choicest blessings upon us!



Mamoon Mahmood Shah
Managing Director & CEO



Board of Directors' Profile



Mohammed Mahtabur Rahman

Chairman

Mr. Mohammed Mahtabur Rahman (Nasir) a seasoned businessman and well versed in a broad range of trade ventures around the world hails from Sylhet. Born in 1958, he completed his education there itself and pursued with passion his traditional family owned business, which was established in the holy city of Makkah, Kingdom of Saudi Arabia in the year 1970. He mastered the art of craftsmanship of the Fragrance Industry and surmounts the business to new heights. He is currently the Chairman & Managing Director of Al Haramain Perfumes Group of Companies and the Chairman of NRB Bank Limited, which is one of the leading 4th Generation Banks in Bangladesh.

After foreseeing the potential Fragrance Markets in the GCC & MENA region, he moved his entire operation & manufacturing units to the UAE and built the modern and well equipped Head Office fitted with ORACLE-ERP Server in an area of 33,000 sqft and also established a Factory in the UAE covering an area of over 350,000 sqft, which grew into a state-of-the-art manufacturing unit using automatic & semi-automatic ultramodern machineries including 'Agilent' quality control equipment in the R&D Department. The quality conscious Al Haramain Perfumes, has been accredited by the authorities with Dual ISO Certificates in QMS (ISO 9001: 2008/2015) & GMP (ISO 22716 : 2007) and received scores of Appreciation Certificates & Accolades,

He opened the first branch in Dubai and gradually expanded more than 100 branches all over the UAE/GCC countries & beyond in the name of Al Haramain Perfumes and the following sister concerns:

- ◆ Al Haramain Perfumes L.L.C
- ◆ Al Haramain Trading L.L.C
- ◆ Oudh Al Haramain
- ◆ Noor Al Haramain Trading L.L.C
- ◆ Al Haramain Perfumes Mfg & Oudh Processing Industry L.L.C
- ◆ Al Halal Perfumes Industry L.L.C
- ◆ Al Halal Perfumes L.L.C was opened in the UAE, to cater to the fragrance needs of the mass markets.
- ◆ Al Haramain Perfumes L.L.C with many branches was opened in the Sultanate of Oman for Omanis and for the entire markets in the country.
- ◆ Al Haramain Perfumes Int'l W.L.L & Noor Al Haramain Perfumes Company W.L.L was opened in the State of Kuwait, with many branches, to cater to the Perfumery needs of the entire markets all over the country.

- ◆ **Al Haramain Perfumes W.L.L** with many branches was opened in the state of Qatar, to meet the Perfumery needs of the valuable Qatari Customers & others.
- ◆ **Al Haramain Perfumes W.L.L** with many branches in the neighborhood were opened in the Kingdom of Bahrain to satisfy the perfumery needs of elite Bahraini customers and others.
- ◆ **Al Haramain Perfumes PTE LTD.** was opened in Singapore to meet the fragrance needs of the markets of Singapore, Indonesia and Brunei.
- ◆ **Al Haramain Perfumes SDN. BHD** in Malaysia was opened to serve the perfumery needs of the entire Malaysian & other Asian Countries.
- ◆ **Al Haramain Perfumes** showroom was opened in London to serve the perfumery needs of all our Customers of UK and Europe.
- ◆ **Al Haramain Perfumes Inc.** was established in New York, USA to meet the fragrance needs of our customers in the United States of America.
- ◆ **Al Haramain Perfumes PVT.LTD.** was established at Jamuna Future Park and also opened exclusive showrooms at the Bashundhara City Shopping Complex/ Shimanto Shambhar/ Gulshan Pink City/ Baitul Mokarram in Dhaka, catering to the perfumery needs of Bangladesh customers/ markets
- ◆ **Al Arafah Islami Bank Ltd.** in which he is the **Sponsor**, is one of the popular banks in Bangladesh.
- ◆ **The University of Asia Pacific** in which he is the **Trustee**, is one of the leading Universities in Bangladesh.
- ◆ **Hamidia Tea Company Ltd.** in Bangladesh, in which he is the **Chairman**, boosts the production of Bangladeshi Tea.
- ◆ **Al Haramain Hospital Pvt. Ltd.** in which he is the **Chairman**, is one of the most modern 250 Bed multi-disciplinary & multi-storeyed Hospital in Sylhet, Bangladesh.
- ◆ **Beani Bazar Cancer Hospital** in which he is a **Trustee** provides better treatment and care facilities to cancer patients in Bangladesh.
- ◆ **NRB CIP Association** in which he is the **President**, was formed to represent and protect the interests of NRB CIPs spread all over.

Awards:

- ◆ He was ranked the top **Commercially Important Person (CIP)** for 6 consecutive years 2012, 2013, 2014, 2015, 2016 and 2017 by the Government of the Peoples' Republic of Bangladesh.
 - ◆ He was also awarded the prestigious '**Bangladesh Bank Remittance Award**' consecutively for 5 years 2013, 2014, 2015, 2016 and 2017 in recognition of his highest remittance/investment into Bangladesh.
 - ◆ He is also the recipient of Honorary **Doctor of Philosophy** in World Peace and Morality Business Administration of the International University of Morality-Thailand, in the year 2014.
- Currently Mr. Mohammed Mahtabur Rahman is associated with the following organizations:**
- ◆ **Bangladesh Business Council-Dubai**, in which he is the **Founder President**, has been established for Bangladeshi Business Communities in Dubai and the Northern Emirates in UAE.
 - ◆ **Shaikh Khalifa Bin Zayed Bangladesh Islamia (Pvt.) School** in Abu Dhabi, UAE in which he is the **Sponsor**.





**Tateyama
Kabir**

Vice Chairman

Mr. Kabir is Vice Chairman of the Board and also a member of the Executive Committee and Risk Management Committee of the Board of Directors of NRB Bank Limited.

Mr. Tateyama Kabir is a dual citizen of Bangladesh and Japan. He is the President of Kabir Auto Export Co. Ltd. He is one of the most successful exporters of cars from Japan around the world. He is expanding his investments in automobile sector in Bangladesh. He has the potentials to build relationship between Japan and Bangladesh. He is the Chairman of KM Global Ltd. and Soft Bangla Ltd. He is also the Managing Director of Sumday Development Company Ltd. and the proprietor of Ocean Auto located in Bangladesh.

Mr. Tateyama Kabir is member of different social and cultural organizations including Dhaka Club, All Community Club and the Elite Lion's Club, Owners Association, Youth Club in Japan etc. He is equally active in many community development and social services programmes.

He has remained an honourable patron to a good number of educational institutions contributing significantly to the advancement of country's education.

He has completed his Masters in Japanese language from University of Toyama, Japan. He is married to Mrs. Hasina Akther and is blessed with two daughters and one son.



**Mohammed
Jamil Iqbal**

Vice Chairman

Mr. Iqbal is Vice Chairman of the Board and also Vice Chairman of the Audit Committee of the Board of Directors of NRB Bank Limited.

Mr. Mohammed Jamil Iqbal is the founder and Chairman of Jamil Iqbal Ltd. which is one of the largest construction companies of Bangladesh. He is a successful NRB entrepreneur and investor. He is the chairman of Manor Trade and Divine Properties Ltd.

Mr. Iqbal is the proprietor of M/S. Md. Jamil Iqbal, J.I. Stone Supplier and the owner of many Crushing plants. He deals in exports and imports. He is used to import construction materials and machineries. Mr. Iqbal is the partner of Al Anood Perfumes Co. (LLC), Deira, Dubai, UAE.

Mr. Iqbal comes of a noble Muslim family of Akakhajana (Borobari), Beanibazar, Sylhet. Having obtained graduation he engaged himself in various types of business. He is a member of the Sylhet Chamber of Commerce and Industry. He is associated with various socioeconomic activities.

Mr. Iqbal is a British Citizen. He is the highest Tax payer in Sylhet and received national award from the Government of the People's Republic of Bangladesh from assessment year 2007-08 to 2013-14 (07 years) at a stretch.



**Khandakar
R. Amin**

Director

Mr. Khandakar R. Amin is the Chairman of the Executive Committee of the Board of Directors of NRB Bank Limited. He is the Chairman of Sonaimuri Upazilla Parishad of Noakhali District.

Mr. Amin is a Bangladeshi origin American Citizen. He was born in Noakhali on 31 December 1956. He is a successful entrepreneur.

He is the proprietor of the following businesses in U.S.A. :

Father Reality Corporation, Surma Reality Corporation, Amin Reality Corporation, Hirapur Reality Corporation, Indian Spice (Indian Restaurant), India Place (Indian Restaurant), Chile's Chocolate, (Mexican Restaurant), Gallitos Expreess (Mexican Restaurant) and Gallitos Mexicans (Restaurant).

He is also the proprietor of the following businesses in Bangladesh:

Hotel New York (Residential), KH Carbon Factory, Khandakar Aquaculture Ltd., Amin CNG Filling Station, Amin Gas Station, Cafe New York and Dhaka New York Agro Fishers. Ltd. Mr. Amin is also involved in many social developments in Bangladesh and abroad.

He holds a Bachelor Degree. He is running his business successfully both in America and Bangladesh for the last 29 years.



**Imtiaz
Ahmed**

Director

Mr. Ahmed is the Chairman of Audit Committee of the Board of Directors of NRB Bank Limited.

Mr. Imtiaz Ahmed, a UK citizen and an NRB, was born in 1960 in Sylhet. He did his Masters in Social Sciences and obtained a Law degree from Dhaka University. After having moved to the UK for further education, he studied Law at the University of London. His growing interest in the philosophy of education led him to study for and obtain a PGCE from the University of East London. He has since been an educator in various London institutions, and lead the Bangladeshi Achievement Project. He was also the Head of Bilingual Teachers in a borough council of London.

Mr. Ahmed has been enrolled as an advocate with the Bangladesh Supreme Court and a member of the Sylhet District Bar Association.



**Ali
Ahmed**

Director

Mr. Ali Ahmed is the chairman of the Risk Management Committee of the Board and also a Member of the Executive Committee of the Board.

He is successful entrepreneur and businessman running his enterprises abroad. He has major contribution in remitting foreign currency in the county alongside different social welfare activities for the betterment of the society. He is contemplating to invest in Bangladesh as a contribution to the economic development of the country.

Currently he is associated with following organizations:

- ◆ Director, Mirravale Holdings Ltd.
- ◆ Director, BJ Brown Business Ltd.
- ◆ Director, AAB Estate Ltd.
- ◆ Director, AA Express Food Dist Ltd.





**Iqbal
Ahmed OBE DBA**

Director

Mr. Iqbal Ahmed OBE DBA was the Founder & First Chairman of NRB Bank Limited and Chairman & Chief Executive of Seamark Group of companies and IBCO Food Industries Limited.

Seamark Group grew from a small family run business to supply seafood and various food products worldwide. Iqbal pioneered the import and export of frozen seafood in refrigerated containers and was the first to import Black Tiger shrimps into the UK and the EU. It wasn't long before he began to look at ways of expanding the family business, thus created Iqbal Brothers & Company (now IBCO Limited) in 1976, importing and distributing frozen seafood and all kinds of frozen food products.

As the business grew further, it made sense to Iqbal to create a new company, Seamark which is more reflective of the size and scope of the operation. Seamark's first factory was set up in Manchester and was officially opened in 1993 by The Rt Hon The Lord Deben, John Selwyn Gummer, the then Minister of Agriculture, Fisheries and Food. In 2000 Iqbal Ahmed established Seamark (BD) Limited in Bangladesh which was inaugurated by HRH Princess Anne.

His clear vision for the business has led to a string of prestigious awards for Seamark in the UK and in Bangladesh. Excellence in the field has been recognised at home in the UK with a Queen's Award for Export Achievement in 1998 and a number of Gold trophy Awards from the Government of Bangladesh for achieving the highest exports of seafood for nearly every year between 2002 and 2016.

One of Iqbal Ahmed's biggest achievements is the successful establishment of NRB Bank Limited in Bangladesh, where he brought together 46 NRB (non-resident Bangladeshi) entrepreneur investors from all over the world to invest in Bangladesh. Iqbal had a vision of creating a financial institution for Nonresident Bangladeshi. He dreamt of unlocking a new horizon to the Bangladesh economy by facilitating NRB inward and outward investment to and from Bangladesh, assisting Bangladeshi enterprises to access international market and increasing the inflow of foreign remittances.

Despite his busy schedule Iqbal makes time for charity works. He is connected with, as sponsor, trustee or member, many charitable organizations in the UK and Bangladesh, mainly situated within the educational sector and healthcare involving rehabilitation, training and community work, including the development of Burunga Iqbal Ahmed High School and College for 1400 students in Sylhet. He has supported and raised funds for the Manchester Children's Hospital Appeal, the Royal Manchester Eye Hospital Appeal and Ahsania Mission Cancer and General Hospital Appeal to name a few. He is the Chairman of UKBCCI (UK Bangladesh Catalyst of Commerce & Industry) which promotes business and entrepreneurship to young people in the UK and Bangladesh. He personally gets involve with his companies' CSR and has formed a charity registered in the UK called the Iqbal Bros Foundation, which is currently fund raising for the Rohingya refugees.

He has founded and currently chaired Masjid ul Aqsa Islamic Centre, a Mosque and centre built for the community, where they can pray and hold religious and cultural studies.

He received his highest personal recognition when he was awarded an OBE (Officer of the Most Excellent Order of the British Empire) at the Queen's honours list in 2001 for his services to International Trade. He is a CIP (Commercially Important Person) in Bangladesh since 2009.

In July 2017, Iqbal was awarded by Manchester Metropolitan University an Honorary Degree of Doctor of Business Administration for his outstanding achievements in business and his significant contribution to the economy and regeneration of Manchester and Bangladesh.

In October 2017, Iqbal was awarded an Honorary Fellowship Award from University Campus Oldham for his outstanding work in the community.

Over the years Iqbal Ahmed has played an active role as member, advisor or director in a number of government committees, ministries and advisory bodies in the UK and overseas such SAAG (Southern Advisory Group, Competitiveness Council, BOND (a UKTI initiative), MOSAIC under the Business in the Community, New East Manchester, Ethical Trading Champion's Group, New Enterprise Council, Catalyst UK and Bridge2Bangladesh (B2B).

He is an advisor to the Board of Trade, by invitation from the Rt Hon Dr Liam Fox MP, Secretary of State for International Trade and President of the Board of Trade, to provide advice on promoting British exports, boosting inward investments and delivering successful trade mission abroad.

Iqbal Ahmed has the ability to speak with such authority thus regularly sought as a speaker or panel member in international events and Universities such as Bangladesh Investment Summit in Singapore (2014, 2015), World Islamic Economic Forum in Dubai (2014), Inaugural Bangladesh Investment Summit in London (2013), Entrepreneurs Festival Manchester (2013, 2016), University of Dhaka (2015), and University College London (2015).

He was personally invited by Michael Bloomberg to be a founding delegate of Bloomberg's New Economy Forum held in Singapore in 2018.

February 2017 saw the Publication of Iqbal Ahmed's autobiography entitled, King Prawn – Dreaming Big and Making It Happen, the story of the entrepreneurial genius.



**Mohammed
Jahed Iqbal**

Director

Mr. Mohammed Jahed Iqbal is Vice Chairman of the Executive Committee and Risk Management Committee of the Board of Directors of NRB Bank Limited.

Mr. Mohammed Jahed Iqbal is a successful NRB entrepreneur and possesses excellent business background. He comes of a noble Muslim family of Beanibazar, Sylhet. Having obtained graduation he engaged himself in various types of businesses.

Mr. Iqbal is the owner of M/S. Md. Jahed Iqbal, Director of Sundry Development Company Ltd. and the Managing Director of Jamil Iqbal Ltd. which is one of the largest construction companies of Bangladesh. He is also a Director of Jahed Iqbal Ltd. UK and a partner of Desert Star Trading LLC, UAE. He is also associated with various socioeconomic activities in Bangladesh and abroad.



**Abdul
Karim**

Director

Mr. Abdul Karim is a Director and a Member of Executive Committee of the Board.

Mr. Karim is an experienced businessman in the field of perfume industry. He started his business career by developing an interest towards the making of perfumes. His company, Hassan Shahin Ahmed Perfumes L.L.C. was established in 1982, in Dubai, UAE. The perfumes are imported and exported to and from around the globe. He now holds the position of Managing Director of the company. He was also ranked as a Commercially Important Person (CIP) for three consecutive years 2017, 2018 & 2019 by the Government of Bangladesh.

His keen concern in helping the needy in every way has given him many opportunities to develop the community. He is the chairman of a charitable organization 'Sylhet Bivag Unnoyon Porishod' which is based in Dubai, UAE, the Chief Advisor of another organization 'Bangladesh Shomaj Kollyan Shomitee' in UAE, and one of the founder members of Bangladesh Business Council.



**Mohammed
Idrish Farazy**

Director

Mr. Mohammed Idrish Farazy is a Member of the Board of Directors of NRB Bank Limited.

Mr Farazy, the Chairman of National Exchange Company, Italy, with his continuous succeeding contributions is known to have grown the seeds of remittance business in Italy.

He has obtained a Bachelor's Degree in Business & Administration from the University Of Darul Ihsan Bangladesh.

In 2006, in recognition of his outstanding and proficient contributions in the world of Remittance Business, he was awarded the Mother Teresa International Award.

Due to his continuous effort, he was awarded the prestigious, Bangladesh Bank Remittance Award, in 2014, 2015, 2016, 2017 and 2018 in recognition of highest remittance into Bangladesh in regards of National Exchange Company, Italy. He was also ranked as a Commercially Important Person (CIP) for two consecutive years 2012-13 & 2013-14 by the Government of Bangladesh.

He has been playing a vastly important role in revolutionizing the Remittance Business Zone in Italy and all around the world; some of his other business affiliations are as follows:

- ◆ Chairman, National Exchange Company S.R.L, Italy
- ◆ Chairman, Popular Travels and Tours, Italy
- ◆ Director, Farazy Hospital and Diagnostics Ltd, Bangladesh



Dr. Nesar Ahmed Choudhury

Director

Dr. Nesar Ahmed Choudhury is a Member of the Board of Directors of NRB Bank Limited.

Dr. Choudhury is General Practitioner and has been Principal partner and a tutor at Manchester Medical School.

Dr. Choudhury is a dual citizen of the UK and Bangladesh. He is the current president and director of Bangladesh Medical association in the U.K. limited, former General Secretary of the Bangladesh Medical Association (UK), Ex-Governor of Mersey Vale Primary School, Heaton Mersey, Stockport UK and one of the Shareholders of Solace Services Limited, UK. He is involved in other Bangladesh Welfare Services.

He has completed his MBBS from Sylhet MAG Osmani Medical College, Bangladesh and his MRCP from the UK.



Naveed Rashid Khan

Director

Mr. Naveed Rashid Khan is a Member of the Board of Directors of NRB Bank Limited.

He holds a Bachelor's of Social Science in Economics and Business Finance from Brunel University, London, United Kingdom.

Mr. Khan is a second generation entrepreneur in his family business whose entity is one of the largest

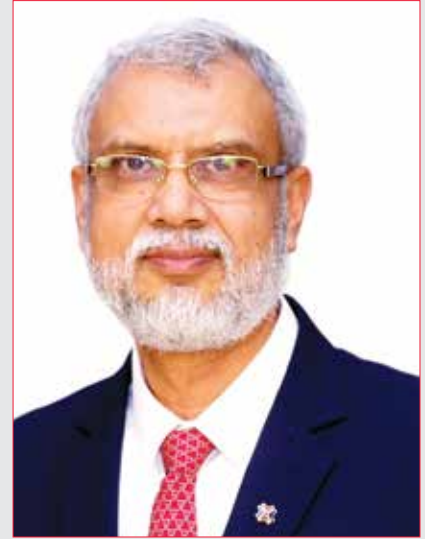
Commodity Trading Houses in Asia, dealing in Fertilizer and Fertilizer raw materials, and food grains such as rice, wheat and sugar.

Mr. Khan founded his own company, Commodity First DMCC in Dubai, UAE, and is now established there specialized in trading with new markets such as Europe, Africa, Nepal, India and Sri Lanka. His company is also highly involved in supplying Fertilizers to the Bangladesh market both to the public and private sector.

Mr. Khan is a keen traveler and has been fortunate enough to study in Bangladesh, Malaysia, Australia and the United Kingdom. This has enabled him to develop a practical knowledge of the global world today and the importance of reaching out to international markets to be successful.

In his private time, Mr. Khan is a keen enthusiast in natural photography and has attained several diploma certifications from Alliance Francaise, Dhaka in this field. He has also participated in various Photography Exhibitions.

He is a member of the Baridhara Society, Uttara Club and Gulshan Club.



M Badiuzzaman

Director

Mr. M Badiuzzaman is a Member of the Board of Directors of NRB Bank Limited.

Mr. M Badiuzzaman is a versatile and experienced business professional with extensive knowledge and networking capacity to revolutionize business decision-making in international trade, commerce and the finance industry.

He is a proficient businessman involved with local and overseas companies in Bangladesh and Singapore. His business affiliations are: Chairman, Advance Homes Pvt. Ltd., Bangladesh (Residential and Commercial Real-Estate Development and Consultancy in Bangladesh) Chairman, Strategic Enterprises Pvt. Ltd., Bangladesh (Importer and Consultancy Firm in Bangladesh) Managing Director, Tania international Pte. Ltd., Singapore (Export-Import and trading of Commodities and Business Consultancy in Singapore since 1990) Managing Director, Tania Development Pte. Ltd., Singapore (Commercial & Industrial Real Estate Management Company in Singapore since 2008) Executive Chairman, Pay Union BD limited, Bangladesh (3rd party payment processor and switch)

Mr. M Badiuzzaman is a Graduate from Dhaka University and holds corporate/individual membership of Singapore Business Federation (SBF), Singapore, Textile & Fashion Federation (TAFF), Singapore, International Business Forum of Bangladesh (IBFB), Real Estate and Housing Association of Bangladesh (REHAB), Dhaka Chamber of Commerce and Industry (DCCI) and Indian Importers of Chambers of Commerce & Industry (IICCI BD).



**Humayen
Kabir Khan**

Director

Mr. Humayen Kabir Khan is a Director of NRB Bank Limited and a Member of Audit Committee of the Board.

A young, energetic and promising entrepreneur Mr. Humayen is an able successor of his father Late Mr. Fazlur Rashid Khan who was a sponsor director of the Bank. While contributing to the Bank as one of its Directors, he is steering the business of his late father skilfully aiming towards bringing them to new heights.

Currently, he is associated with following organizations:

- ◆ Owner, Khan and Son Services Inc
- ◆ Owner, Khan and Son Property LLC
- ◆ Owner and CEO, Estate of Fazlur Khan



**Mohammed
Giash Uddin**

Director

Mr. Mohammed Giash Uddin is a Director of NRB Bank Limited. He is one of the Members of Audit Committee of the Board of Director of the Bank.

Mr. Giash Uddin is a Non-resident Bangladeshi resides in the UK. He comes of a noble Muslim family of Sylhet, Bangladesh. He is the proprietor of retail outlet Poundsaver which is located in London, United Kingdom. He is also associated with business forums and socio-cultural organizations. He is married to Mrs. Salma Khatun and is blessed with two sons.



**Dr. Ehsanur
Rahman**

Director

Dr. Ehsanur Rahman is a Director of NRB Bank Ltd and one of the Members of the Executive Committee of the Board of Directors.

He has obtained his M.B.B.S from Padmashree Dr. D.Y Patil University, India and MSc in Health Management City University London, UK.

Dr. Rahman is a Non-resident Bangladeshi who resides in Dubai, UAE. He is a third-generation entrepreneur in his family fragrance industry business. He pursued with passion in his traditional family-owned business; Al Haramain Perfumes which was established in the holy city of Makkah, Kingdom of Saudi Arabia in the year 1970.

Currently, he is associated with following organizations:

- ◆ Director, Al Haramain Trading Company LLC, Dubai
- ◆ Managing Director, Al Haramain Hospital Pvt. Ltd, Bangladesh.
- ◆ Director, Al Haramain Perfumes Pvt. Ltd, Bangladesh
- ◆ Director, Hamidia Tea Company Ltd, Bangladesh
- ◆ Shareholder, NRBC Bank Ltd, Bangladesh
- ◆ Member, NRB CIP Association
- ◆ Member, Bangladesh Business Council, Dubai, UAE

Dr. Rahman is also associated with other business forums and socio-cultural organizations in Bangladesh and abroad.



**Mohammed
Ashfaque Rahman**

Director

Mr. Mohammed Ashfaque Rahman is a Director of NRB Bank Limited and Director of NRB Bank Securities PLC.

He holds a Bachelor's of Science in Marketing and Master of Business Administration from SUNY Oswego, New York, USA.

Mr. Rahman is a Non-resident Bangladeshi who resides in Dubai, UAE. He is a third-generation entrepreneur in his family fragrance industry business. He pursued with passion in his traditional family-owned business; Al Haramain Perfumes which was established in the holy city of Makkah, Kingdom of Saudi Arabia in the year 1970.

Currently, he is associated with following organizations:

- ◆ Director, Al Haramain Trading Company LLC, Dubai
- ◆ Director, Al Haramain Perfumes Pvt. Limited, Bangladesh
- ◆ Director, Al Haramain Hospital Pvt. Ltd., Bangladesh
- ◆ Shareholder, NRBC Bank Limited, Bangladesh
- ◆ Member, NRB CIP Association
- ◆ Member, Bangladesh Business Council, Dubai, UAE

Mr. Ashfaque Rahman is also associated with other business forums and socio-cultural organizations in Bangladesh and abroad.



**Md. Abdul Jalil
Chowdhury**

Independent Director

Mr. Abdul Jalil Chowdhury is an Independent Director of NRB Bank Limited and also a member of Executive Committee and Risk Management Committee of the Board of Directors of NRB Bank Limited.

A postgraduate in Physics from Rajshahi University, he started his career in 1977 as Probationary Officer in Janata Bank Limited and retired as Additional Managing Director from Mercantile Bank Limited in 2016.

During his 39 years of long service period, he served a number of reputed Banks i.e. Janata Bank Limited, National Bank Limited, Southeast Bank Limited and lastly Mercantile Bank Limited in various capacities.



**Md. Motior
Rahman**

Independent Director

Mr. Md. Motior Rahman is an Independent Director of NRB Bank Limited and also a member of Audit Committee and Risk Management Committee of the Board of Directors of the Bank.

A postgraduate in Accounting from Dhaka University, he started his Banking career in 1973 as Probationary Officer in Pubali Bank Limited and retired as Managing Director from Jamuna Bank Limited in 2012.

During his 40 years of long service period, he served a number of reputed Banks i.e. Pubali Bank Limited, Islami Bank Bangladesh Limited, Prime Bank Limited and lastly Jamuna Bank Limited in various capacities.



**Dr. Md
Kamrul Ahsan**

Independent Director

Dr. Md Kamrul Ahsan is an Independent Director of NRB Bank Limited.

Dr. Md Kamrul Ahsan was born in 1961 in a respectable family under Lakshmipur district. His primary education started in his native village Nandanpur in Lakshmipur. He passed Secondary School Certificate examination in the first division in 1976 from Dalal Bazar N.K. High School. Later, he graduated in Agricultural Economics (Hons) from Bangladesh Agricultural University and did his Masters degree in Agricultural Economics from the same university.

Dr. Ahsan joined in Bangladesh Civil Service in Administration Cadre as Assistant Commissioner and Magistrate in 1988 through a competitive regular BCS examination. He started his job as Assistant Commissioner in Sirajganj Collectorate. He served as first class Magistrate in Ullahpara upazila and as Upazila Magistrate in Shahzadpur upazila under Sirajganj district. He served as Assistant Secretary/Senior Assistant Secretary in the Ministry of Food, Finance, Planning and Home Affairs.

Dr. Md Kamrul Ahsan did his MS degree in Development Studies from the Institute of Social Studies (ISS) from Netherlands. He also did his Ph.D. in Environmental Science. He studied in Macquarie University and University of New England, Australia. He got trained in many contemporary administrative and management issues from various countries like Thailand, Japan, China, Philippines, Vietnam, India etc.

Dr. Ahsan was UNO at Kasba upazila under

Brahmanbaria district. He was Additional Deputy Commissioner and Additional District Magistrate at Manikganj district and Additional Deputy Commissioner (General) in Dhaka district. He also served as one of the Directors in the Prime Minister's Office. He was in lien and worked in the United States of America for five years. He was Deputy Secretary, Joint Secretary and Additional Secretary in the Roads and Highways Division under the Ministry of Road Transport and Bridges. Dr. Md Kamrul Ahsan was also the Chairman of Bangladesh Road Transport Authority (BRTA).

In his professional career Dr. Ahsan visited many countries like India, Pakistan, Thailand, Myanmar, Vietnam, China, Malaysia, Singapore, Philippines, Japan, Netherlands, France, Germany, Switzerland, Belgium, Turkey, U.A.E, Qatar, USA, UK, Australia and Canada.

Dr. Md Kamrul Ahsan was a brilliant civil servant of BCS (Admin) Cadre. He served as an honest, dedicated and efficient public servant for long 32 years in Bangladesh Civil Service. He was awarded National Integrity Strategy (NIS) prize for his honesty and dedication.

Dr. Ahsan is married and has two sons.



**Mamoon
Mahmood Shah**

Managing Director & CEO

Mr. Mamoon Mahmood Shah has been appointed as Managing Director & CEO of NRB Bank Limited

A Postgraduate in Accounting from the University of Dhaka, Mr. Mamoon Mahmood Shah started his banking career as Probationary Officer of IFIC Bank Ltd. Mr. Mahmood joined NRB Bank Limited as Additional Managing Director in 2019. He has to his credit a wide range of banking experience of more than 30 years which includes serving in key positions in a number of both local and multinational banking institutions such as EBL, HSBC, Standard Chartered, ANZ Grindlays, etc. Mr. Shah also held the position of MD & CEO of ICB Islamic Bank, National Finance Ltd., GSP Finance.



Sponsors & Shareholders



Mohammed
Mahtabur Rahman
USA



Tateyama Kabir
Japan



Mohammed
Jamil Iqbal
UK



Khandakar R. Amin
USA



Imtiaz Ahmed
UK



Ali Ahmed
UK



Iqbal Ahmed OBE DBA
UK



Mohammed Jahed Iqbal
UAE



Abdul Karim
UAE



Mohammed
Idrish Farazy
Italy



Dr. Nesar Ahmed
Choudhury
UK



Naveed
Rashid Khan
UAE



M Badiuzzaman
Singapore



Humayen Kabir Khan
USA



Mohammed
Giash Uddin
UK



Mohammed
Ehsanur Rahman
USA



Mohammed Ashfaqur
Rahman
USA



Kamal Ahmed
UK



Bilal Ahmed
UK



Nazrul Islam
Italy



Dr. A.B.M. Badrul Amin
Siddique
UK



Dr. Abul Kashem
Mohammed Zakaria
UK



Mohammed
Nazam Uddin
UK



Emdadur
Hifzur Rahman
UK





Mohammed
Enamur Rahman
UK



Rafiqul Islam
UK



Shabbir Ahmed
Choudhury
UK



Nafih Rashid Khan
UK



Rabin Paul
UK



Monir Ali
UK



Salim
Chowdhury
UK



Mohammed Rafique
Miah
UK



Gulam Jilani
Mahbub
UK



Helal Rahman
UK



Misbah
Abu Sadath
UK



Dulal Ahmed
UK



Mosharraf Hossain
Canada



Dr. Mahiul Muhammed
Khan Muqit
UK



Abdul
Quayum Khaliq
UK



Abu Taher
Mohammed Amanullah
Singapore



Shahela Ferdush
Rahman
USA



Mohammed
Emadur Rahman
USA



Bayzun N
Chowdhury
USA



Nasrat Khalil Chowdhury
UK



Ehsanuzzaman Rajib
Singapore



Aminur Rashid Khan
BD



Navil Aman Moushum
Singapore



Najib Zaman
Singapore



Farhana Ahmed
UAE



Rafa Jaigirdar
UAE



Mohammed Oliur Rahman
UAE



Manzur Ahmed Iqbal
UK





Rubayeth Kamal
UK



Shahanara Khan
USA



Farhana Parvin
Chowdhury
USA



Kamrun Nahar Khan
USA



Rina Akter Khan
BD



Alomgir Kabir Khan
BD
(Represented by Rina Akter Khan)



Jahangir Kabir Khan
BD
(Represented by Rina Akter Khan)



Munira Rahman
USA



Sameera Rahman
USA



Zahara Rahman
Chowdhury
USA



Tanjina Rahman
UAE



Salma Iqbal
UK



Nasrin Sulthana Kamal
UK

Board

Committees

EXECUTIVE COMMITTEE



Chairman

Mr. Khandakar R. Amin

Vice Chairman

Mr. Mohammed Jahed Iqbal

Members

Mr. Tateyama Kabir

Mr. Abdul Karim

Mr. Ali Ahmed

Mr. Mohammed Ehsanur Rahman

Mr. Md. Abdul Jalil Chowdhury



AUDIT COMMITTEE



Chairman
Mr. Imtiaz Ahmed



Vice Chairman
Mr. Mohammed Jamil Iqbal

Members
Mr. Humayen Kabir Khan
Mr. Mohammed Giash Uddin
Mr. Md. Motior Rahman



RISK MANAGEMENT COMMITTEE



Chairman
Mr. Ali Ahmed

Vice Chairman
Mr. Mohammed Jahed Iqbal

Members
Mr. Tateyama Kabir
Mr. Md. Abdul Jalil Chowdhury
Mr. Md. Motior Rahman



Senior Management Team



Mr. Mamoon Mahmood Shah
Managing Director & CEO



Mr. Md. Abdul Wadud
Deputy Managing Director



Mr. Md. Shakir Amin Chowdhury
Deputy Managing Director



Mr. Mohammed Shaukat Ali
SVP & Head of RMD & Basel Unit



Mr. A. H. M. Morshed
SVP & Head of Credit Administration



**Mr. Mohammad
Mashiur Rahman Khan**
SVP & In-Charge of CRM



Mr. Md. Sahidul Islam
SVP & In-charge of Corporate Banking Division



Mr. Badal Kumar Nath, FCA
SVP & In-Charge of ICCD



Mr. Md. Hasanul Haque
SVP & Company Secretary



Mr. Oli Ahad Chowdhury
SVP & Head of Retail Banking



Mr. Abu Md. Sabbir Hassan Chowdhury
SVP & Head of IT & ADC Operations



Mr. Mir Shafiqul Islam
SVP & Head of Cards



Mr. Md. Kamrul Hasan
SVP & Chief Financial Officer



Mr. Md. Shafiul Azam
SVP & In-charge of SME Banking



Mr. Abul Quasem Md. Safiullah
SVP & Head of Islamic Banking



Mr. Imteeaz Ahmed
VP & Head of Human Resource

Directors'

Report

In the beginning, we the Board of Directors, welcome all of you to the 8th Annual General Meeting of NRB Bank Limited. We express our deepest condolences to those who have lost their near and dear ones during the Covid-19 pandemic and wish everyone good health and safety. In presenting our Annual Report for your kind consideration and adoption, we really feel a delight. We acknowledge continuous assistance of valued Shareholders, who were always there for us with their trust and support. This Report contains Auditors' Report, Directors' Report, Management Analysis of Business, Audited Financial Statements of the Bank. Hope it will provide you with the true picture of the Bank's performance, development and Market position of the Bank in this era of stringent competition.

A review of business and financial performance along with a brief overview of the performances of the world and Bangladesh economy during 2020 and outlook for 2021 are also included in this report.

The Global Economic Outlook: A Changed World

As the health and human toll grows, the economic damage is already evident and represents the largest economic shock the world has experienced in decades.

The June 2020 Global Economic Prospects describes both the immediate and near-term outlook for the impact of the pandemic and the long-term damage it has dealt to prospects for growth. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020, using market exchange rate weights-the deepest global recession in decades, despite the extraordinary efforts of governments to counter the downturn with fiscal and monetary policy support. Over the longer horizon, the deep recessions triggered by the pandemic are expected to leave lasting scars through lower investment, an erosion of human capital through lost work and schooling, and fragmentation of global trade and supply linkages.

According to the UN forecasts, the US economy will grow 3.4% in 2021 after shrinking 3.9% in 2020. Developing countries saw a less severe contraction of 2.5% last year, and the UN is forecasting 5.7% rebound in 2021.

In 2020, the global Gross Domestic Product (GDP) decreased by 3.5 percent, while the forecast for this year was 2.9 percent GDP growth. According to the forecast for 2021, the global GDP should increase by 5.8 percent in that year.

As of May 2021, most G20 member countries had committed to fiscal stimulus packages in order to attempt to soften the effects of the pandemic. Japan had passed the fiscal stimulus packages amounting in total to about 56.09 percent of its gross domestic product (GDP). These packages were valued at about 308 trillion Yen (2.83 trillion U.S. dollars).

The global economy has been gravely affected by the COVID-19 pandemic. Nearly a year later after the pandemic had first made its presence known, the global economy is perhaps showing some signs of economic recovery. Global economic output is projected to increase by 4 percent in 2021 even though the growth rate is 5 per cent below pre-pandemic estimates (World Bank, 2021). However, the recovery is expected to be uneven across the world as some economies will regain output faster than others depending on the extent of the loss and their capacity to recover. Developed countries (3.1 per cent) are expected to experience a slower pace of recovery compared to developing countries (5.7 per cent) (UNCTAD, 2020). This has significant implications for many economies including Bangladesh. The growth outcomes in China, the European Union and the United States directly affect the South Asian countries through impacts on export demand, remittances and access to foreign financing (World Bank, 2016). Moreover, within the country, economic recovery may not follow the same pace and pattern across sectors. Several factors have implications for the recovery of economic sectors including: (i) extent of loss due to the pandemic; (ii) size of the business/firm in terms of investment and returns; (iii) type of

policy measures put in place by the concerned government; and (iv) support received from the government. Despite some positive signs, the sustainable recovery route for majority of countries and most sectors is dependent on many factors and remain uncertain. In the course of the recovery, the need for appropriate policy measures is thus of critical importance. Indeed, appropriate policies can expedite recovery in a sustainable manner. Moreover, much of it also depend on the scale and timing of policy responses. Against this backdrop, this section provides a brief description of the paths of economic recovery.

However, emerging market economies and low-income developing countries have been hit harder and are expected to suffer more significant medium-term losses. Many countries, particularly low-income developing economies, entered the crisis with high debt that is set to rise further during the pandemic. The global community will need to continue working closely to ensure adequate access to international liquidity for these countries. Global cooperation will be essential for supporting vulnerable populations and achieving a sustainable and inclusive global recovery. In light of substantial fiscal constraints and high debt levels, globally coordinated debt relief, predicated on debt transparency, could help many economies particularly LICs and provide much-needed fiscal resources to support social protection programs. More broadly, deeper global collaboration will be needed to develop equitable and sustainable solutions to the world's most pressing long-term challenges, including tackling climate change and eliminating extreme poverty.

Coronavirus (COVID 19) Pandemic- A Global Threat

COVID-19 is not only a global pandemic and

public health crisis; it has also severely affected the global economy and financial markets.

The COVID-19 pandemic has spread with astonishing speed to every part of the world and infected millions (Figure 1.1.A). The health and human toll is already large and continues to grow, with hundreds of thousands of deaths and many more suffering from diminished prospects and disrupted livelihoods. The pandemic represents the largest economic shock the world economy has witnessed in decades, causing a collapse in global activity (Figures 1.1.B and 1.1.C). Various mitigation measures - such as lockdowns, closure of schools and non-essential business, and travel restrictions - have been imposed by most countries to limit the spread of COVID-19 and ease the strain on health care systems. The pandemic and associated mitigation measures have sharply curbed consumption and investment, as well as restricted labor supply and production. The cross-border spillovers have disrupted financial and commodity markets, global trade, supply chains, travel, and tourism.

Financial markets have been extremely volatile, reflecting exceptionally high uncertainty and the worsening outlook. Flight to safety led to a sharp tightening of global and EMDE financial conditions. Equity markets around the world plunged, spreads on riskier categories of debt widened considerably, and EMDEs experienced large capital outflows in much of March and April that bottomed out only recently. Commodity prices have declined sharply as a result of falling global demand, with oil particularly affected.

Many countries have provided large-scale macroeconomic support to alleviate the economic blow, which has contributed to a recent stabilization in financial markets. Central banks in advanced economies have cut policy rates and taken other far-reaching steps to provide liquidity and to maintain investor confidence. In many EMDEs, central banks have also eased monetary policy. The fiscal policy support that has been announced already far exceeds that enacted during the 2008-09 global financial crisis. In all, the pandemic is expected to plunge a majority of countries into recession this year, with per capita output contracting in the largest fraction of countries since 1870 (Figure 1.1.F). Advanced economies are projected to shrink by 7 percent in 2020, as widespread social-distancing measures, a sharp tightening of financial conditions, and a collapse

in external demand depress activity. Assuming that the outbreak remains under control and activity recovers later this year, China is projected to slow to 1 percent in 2020 - by far the lowest growth it has registered in more than four decades.

Historic contraction of per capita income

Advanced economies are projected to shrink 7 percent. That weakness will spill over to the outlook for emerging market and developing economies, who are forecast to contract by 2.5 percent as they cope with their own domestic outbreaks of the virus. This would represent the weakest showing by this group of economies in at least sixty years.

Every region is subject to substantial growth downgrades. East Asia and the Pacific will grow by a scant 0.5%. South Asia will contract by 2.7%, Sub-Saharan Africa by 2.8%, Middle East and North Africa by 4.2%, Europe and Central Asia by 4.7%, and Latin America by 7.2%. These downturns are expected to reverse years of progress toward development goals and tip tens of millions of people back into extreme poverty.

The pandemic has caused per capital incomes to fall in more than 90 percent of EMDEs, tipping millions back into poverty. For more than a quarter of EMDEs, the pandemic is expected to erase at least 10 years of per capita income gains and, in about two-thirds of EMDEs, per capita incomes are projected to be lower in 2022 than they were in 2019.

Looking at the speed with which the crisis has overtaken the global economy may provide a clue to how deep the recession will be. The sharp pace of global growth forecast downgrades points to the possibility of yet further downward revisions and the need for additional action by policymakers in coming months to support economic activity.

Global Trade

Global trade collapsed last year as border closures and supply disruptions interrupted the international provision of goods and services. Goods trade fell more rapidly and recovered more swiftly than during the global financial crisis, while services trade remains depressed. Relative strength in manufacturing, alongside persistent weakness in services, reflects the unusual nature of the recession, which has shifted consumption patterns toward goods and away from services requiring face-to-face interactions. Continued impediments to international travel and tourism are contributing to persistent weakness in services. Trade policy uncertainty has fallen from its highs in 2019 but is still above historic norms, in part due to the potential of renewed trade tensions between major economies.

The Financial markets

Global financial markets have been heavily impacted by the effects of COVID-19 spread. As the numbers of cases started to increase globally, mainly through the US, Italy, Spain, Germany, France, Iran, and South Korea, the world financial and oil markets significantly declined. Second and third infection waves have necessitated renewed restrictions in many countries since the October 2020 World Economic Outlook (WEO) forecast. This stop-go rhythm means that recovery is uneven and far from complete. Although GDP, in general, recovered stronger than expected in the second half of 2020, it remains significantly below pre-pandemic trends in most countries.

Emerging market and developing economies will be buffeted by economic. Major central banks are assumed to maintain their current policy rate settings throughout the forecast horizon to the end of 2022. As a result, financial conditions are expected to remain broadly at current levels for advanced economies while gradually improving for emerging market and developing economies. Within this latter group, differentiation between investment-grade sovereigns (who have been able to issue external debt in large amounts in 2020) and high-yield borrowers (many of whom are constrained in their ability to take on additional debt and until recently have not accessed international markets during the pandemic) is expected to subside as the recovery takes hold. As noted in the January 2021 Global Financial Stability Report Update, markets remain upbeat about prospects for 2021, banking on continued policy support. Aggressive policy actions by central banks kept the global financial system from falling into crisis last year. Financial conditions are generally loose, as suggested by low borrowing costs, abundant credit issuance, and a recovery in equity market



valuations amid positive news about vaccine developments. This masks rising underlying vulnerabilities, however, including rising debt levels and weakening bank balance sheets.

Banks' capital buffers are under pressure due to falling profitability and asset quality deterioration. Defaults have already surged in the hardest-hit sectors and countries, and rising credit downgrades point to further strains in the future. These developments reduce the resilience of financial systems, particularly in countries with weaker banking systems or without the policy space to provide sufficient support to stressed financial institutions. The potential for additional fiscal support and improved pandemic management during the forecast horizon could result in stronger than expected growth outcomes.

Commodity markets

Most commodity prices rebounded in the second half of last year; however, the pickup in oil prices lagged the broader recovery in commodity prices due to the prolonged impact of the pandemic on global oil demand. Crude oil prices averaged \$41/bbl in 2020, a 34 percent fall from 2019. Oil demand fell 9 percent last year the steepest one-year decline on record as a result of pandemic-control measures and the associated plunge in global demand, which was partly offset by historically large production cuts among OPEC+. Oil prices are forecast to remain close to current levels and average \$44/ bbl in 2021 before rising to \$50/bbl in 2022. The main risk to this forecast relates to the evolution of the pandemic, with oil demand particularly susceptible to lockdown measures and reduced mobility; however, positive vaccine news has reduced this risk somewhat. Base metal prices were, on net, broadly flat in 2020, as sharp falls in the first half of the year were followed by a strong recovery in the second half. Prices are expected to increase 5 percent in 2021 alongside the expected rebound in global demand. Agricultural prices rose 4 percent in 2020, largely driven by supply shortfalls and stronger-than-expected demand in edible oils and meals. Agricultural prices are forecast to see a further modest increase in 2021.

Major economies: Recent developments and outlook

All major economies have experienced COVID-19 outbreaks, of varying intensity. Output in advanced economies is set to contract sharply

in 2020, as domestic demand and supply, trade, and finance have all been severely disrupted. Assuming that the pandemic does not lead to lasting damage to financial systems, growth is expected to rebound in 2021, aided by unprecedented support from fiscal, monetary, and financial sector policies. In China, output appears to be recovering from the large drop at the start of the year, but the strength of the expected rebound is uncertain

Advanced Economies

Advanced economies have faced a very substantial slump in activity as they grapple with the far-reaching consequences of the pandemic. As a result, advanced-economy output is now projected to slow dramatically, from an expansion of 1.6 percent in 2019 to a contraction of 7 percent in 2020 - 8.4 percentage points below January forecasts.

United States

The domestic COVID-19 outbreak and associated large-scale pandemic-control measures have massively disrupted activity. High-frequency service sector indicators point to an unprecedented collapse, especially for services and travel. Compared to the global financial crisis, weekly unemployment claims have risen much faster, while industrial production and retail sales have fallen much more sharply. Meanwhile, the collapse in oil prices has depressed investment in the highly leveraged U.S. shale oil sector. The Federal Reserve has cut rates to near-zero, and announced far-reaching measures to stabilize the financial system. The latter include unlimited purchases of U.S. government debt and mortgage-backed obligations, as well as large-scale purchases of corporate bonds and of securities issued by lower levels of government. The U.S. government has also provided fiscal support approaching \$3 trillion, including over \$1 trillion in loans to firms and to state and local governments. Further measures, such as another round of direct transfers to households, are under consideration.

U.S. GDP is expected to contract by 6.1 percent in 2020 - 7.9 percentage points below previous forecasts, reflecting the severe consequences of the pandemic in the first half of the year, and an assumed gradual recovery in the second half. It is subsequently projected to rebound to 4 percent in 2021, as large-scale policy support gains traction, amid an assumed recovery in consumer and investor confidence.

Euro area

Following the historic pandemic-induced collapse, an emerging rebound in economic activity in the third quarter of last year was cut short by a sharp resurgence of COVID-19, which prompted many member countries to re-impose stringent lockdown measures. Several service sectors vital to the area's economy - tourism in particular - remain depressed and are unlikely to recover until effective management of the pandemic improves confidence in the safety of face-to-face interactions. Despite a worsening pandemic, manufacturing has continued to recover, supported by strengthening foreign demand. In all, following a sharp contraction of 7.4 percent in 2020, growth is forecast to rebound to 3.6 percent in 2021, underpinned by improved COVID-19 management, an initial vaccine rollout, and rising external demand, particularly from China. Growth is projected to strengthen further to 4 percent in 2022 as widespread vaccination contributes to firming consumption and investment - still above potential growth, but leaving output 3.8 percent below pre-pandemic trends Japan. Early effective management of COVID-19, coupled with unprecedented fiscal support, powered a rebound in activity in the third quarter of 2020. This nascent recovery quickly lost momentum as a resurgence of COVID-19 dampened consumption, even though the manufacturing sector continued to firm. After contracting by an estimated 5.3 percent in 2020, activity is expected to expand by 2.5 percent in 2021 as additional fiscal stimulus is implemented and, with new COVID-19 cases brought down to low levels, pandemic-control measures are gradually phased out. Growth is projected to tick down to 2.3 percent in 2022, leaving output 2.4 percent below its pre-pandemic trend.

China

Growth decelerated to an estimated 2 percent in 2020 - the slowest pace since 1976 but above previous projections, helped by effective control of the pandemic and public investment-led stimulus. The recovery has been solid but uneven, with consumer services trailing industrial production.

For most of last year, import growth lagged a rebound in exports, contributing to a widening current account surplus. Accommodative fiscal and monetary policies led to a sharp increase in the government deficit and total debt. Fiscal policy support, which initially focused on providing relief and boosting public investment, is starting to moderate. Growth is forecast to pick up to 7.9 percent in 2021, above previous projections due to the release of pent-up demand, and moderate to 5.2 percent in 2022 as deleveraging efforts resume. Even as GDP returns to its pre-pandemic level in 2021, it is still expected to be about 2 percent below its pre-pandemic projections by 2022, with the crisis accentuating preexisting vulnerabilities and imbalances.

Emerging market and developing economies

Activity in EMDEs fell 2.6 percent in 2020 as a result of the COVID-19 pandemic. Although aggregate EMDE growth is projected to pick up to 5 percent in 2021 and moderate to 4.2 percent in 2022, output will remain well below pre-pandemic projections throughout the forecast horizon. Progress on critical development goals has been set back by several years, as the pandemic has disproportionately affected vulnerable groups and is driving poverty rates sharply higher.

Recent developments

The health and economic crisis triggered by COVID-19 caused EMDE output to shrink an estimated 2.6 percent in 2020 - the worst rate since at least 1960, the earliest year with available aggregate GDP data. Excluding the recovery in China, the contraction in EMDE output last year is estimated to have been 5 percent, reflecting recessions in over 80 percent of EMDEs - a higher share than during the global financial crisis, when activity shrank in about a third of EMDEs. Services activity contracted last year as consumers shifted away from activities requiring face-to-face interactions amid severe and prolonged weakness in international travel. In the average EMDE, services accounted for more than half of the value-added GDP prior to the pandemic. The relatively higher share in countries dependent on tourism helps to explain why they have experienced relatively deeper contractions. Substantial macroeconomic support helped soften the decline in activity. The fall in investment was partly curbed by policy rate cuts and macro prudential support measures, which provided liquidity and promoted lending, as well

as by sizable fiscal packages, which increased capital on health and information technology.

Bangladesh Economy

Bangladesh economy is still reeling from the adverse consequences of the ongoing COVID-19 pandemic as manifested by key macroeconomic and sectorial performance indicators. Although, in terms of GDP, Bangladesh was an outlier as one of the very few countries which posted positive growth rates in 2020, there are reasons for concern as one examines the underlying factors that informed economic performance as the country moves towards the end of FY2021. The key question here is whether the economy has been able to overcome the initial stress, make a turnaround and is set on the course for rebound and recovery.

The outgoing year 2020 was a challenging one for Bangladesh. In fiscal year 2020, prior to the outbreak of the pandemic, the Bangladesh economy was somewhat under stress due to the weak performance of a few economic indicators such as exports, imports, private investment, foreign direct investment, and revenue mobilization. Besides, the banking sector was suffering from high non-performing loans (NPL). Bangladesh's GDP growth is forecast to slow down to 1.6 per cent in the fiscal year 2021 as the country struggles with the devastating impact of the lingering Covid-19 pandemic, the World Bank said in its twice-a-year-regional update. The latest South Asia Economic Focus report also warns of a hardest recession in South Asia, of which Bangladesh is a part. Bangladesh has achieved GDP growth at more than 6 percent on an average during the last decade. According to Bangladesh Bureau of Statistics (BBS), the GDP growth in FY2015-16, FY2016-17 and FY2017-18 stood at 7.11 percent, 7.28 percent and 7.86 percent in FY2018-19 the GDP growth stood at 8.15 percent. As per provisional estimate of BBS, the GDP growth is 5.24 percent in FY2019-20 which is the lowest since FY2008-09, this situation has been created mainly because of the outbreak of COVID-19 pandemic.

Growth of GDP by Sectors

Production based estimate of GDP encompasses 3 broad sectors which are agriculture, industry and service. Moreover, overall GDP consists of 15 sectors. Among these 15 sectors, 6 sectors are divided into different sub sectors.

Agriculture Sector

At constant prices growth of agriculture and forestry sector under broad agriculture sector stood at 2.08 percent in FY2019-20, which was 3.15 percent in previous fiscal year. The growth of the three subsectors of agriculture and forestry sector i.e. crops and horticulture; animal farming; forest and related services reached 0.89 percent, 3.04 percent and 6.36 percent respectively in FY2019-20, which were 1.96 percent, 3.54 percent and 8.34 percent respectively in previous fiscal year. Industry Sector Among the 4 sectors of broad industry sector, the growth rate of mining and quarrying and construction sector moderated to 4.38 percent and 9.06 percent respectively in FY2019-20 from 5.88 percent 12.25 percent respectively from the previous fiscal year. On the other hand, growth rate of 'manufacturing' and electricity, gas and water supply' has slowed down significantly compared to the previous fiscal year. Growth in natural gas and crude petroleum sub-sector was (-) 0.51 percent in FY2019-20, from (-) 0.79 percent in previous fiscal year. In addition, growth of other mining and coal sub-sector declined to 9.01 percent, from 13.08 percent in previous fiscal year. Similarly, growth of large and medium scale manufacturing sub-sector slowed down to 5.47 percent from 14.84 percent of previous fiscal; year.

Service Sector

According to the provisional data, growth in broad service sector decreased to 5.32 in FY2019-20 compared to 6.78 percent in previous fiscal year. The output of the 'wholesale and retail trade', 'hotel and restaurants' and 'transport, storage and communication' sector under broad service sector registered growth to 5.02 percent, 6.46 percent and 6.19 percent respectively in FY2019-20; which were 8.14 percent, 7.57 percent and 7.19 percent respectively in the preceding fiscal year. The growth of 'real estate, renting and business activities' and 'community, social and personal services' sector decreased to 4.85 percent in FY2019-20 from 5.23 in the previous fiscal year. Like all other economies, ours has experienced pressure due to the disruption in economic activities during the pandemic. Both domestic and global demand contracted. As our economy is integrated



with the global economy, a downward trend was observed in case of exports, outflow of Bangladeshi migrants for work, and foreign investment. On the domestic front, depressed domestic demand has been reflected through low investment. Credit flow to the private sector and import of capital machinery had been low. Job losses by a large number of people had also reduced demand. All these had an impact on growth which was on an increasing trend during the last decade. Thus, in fiscal year 2020, the growth of gross domestic product (GDP) was 5.2 percent as opposed to 8.2 percent, which the government projected originally. Several studies have indicated that low growth and slower economic activities had a knock-on effect on poverty, unemployment, education, inequality and many social aspects. Due to government efforts combined with the hard work of the people, the Bangladesh economy has been less affected compared to other countries during the pandemic. Several international organizations including International Monetary Fund, World Bank, and Asian Development Bank have assessed the economic performance of countries during the pandemic. Bangladesh's performance stands out amongst its peers. Despite the pandemic, agricultural production has been exceptionally good - that helped ensure food security. Remittances have soared in recent months, foreign exchange reserve has reached the highest level ever, exports picked up towards the end of the year and inflation remained low.

In view of this, Bangladesh looks forward to seeing brighter economic prospects in 2021. For Bangladesh, 2021 is also a special year. The country will celebrate the golden jubilee of its independence. This will be the year to celebrate our achievements in the last 50 years. This will also be an occasion to reflect on the constraints and commit ourselves to expedite efforts to fulfil the unmet dreams in the next 50 years. Bangladesh must also seize every opportunity that comes in its way in the coming years. Among a number of initiatives that are required to achieve the unfulfilled goals, a few can be reiterated. First and foremost is the need for institutional strengthening and reform. For rebuilding the economy from the fallout of the pandemic, public expenditure is the key. Therefore, more fiscal room is to be created through domestic resource mobilization and its efficient utilization. Fiscal discipline through prudent fiscal management will be critical for

economic recovery. In this regard, governance of the financial sector will also have to be ensured. In recent times, liquidity situation in the banking system has increased which led to low interest rates. This is due to weak investment demand and Bangladesh Bank's measure to create liquidity space in commercial banks. The volume of the NPL in 2020 may not be a reflection of the real situation since Bangladesh Bank had frozen loan classification from January 1 to December 31, 2020 in view of the pandemic. The embedded weakness of the sector emphasizes the need for reforming the sector and establishing better governance in the system. Second, the anti-corruption drive should be continued and strengthened. Corruption in public investment projects reduces fiscal space. Studies have indicated how corruption affects growth. A large part of resources is also sent out of the country illegally. By preventing corruption, resource efficiency and economic competitiveness can be enhanced. Third, investment on human capital has been reinforced during the pandemic. The weaknesses in the healthcare system was evident during the pandemic management. Increased allocation for the health sector and appropriate utilization of the allocated resources are essential. For human capital development, education is an important means. Improvement of human resource capacity through skills development is the need of the hour. For a sustainable recovery from the pandemic, creation of opportunity is not enough. Access to opportunity for all has to be ensured. This will also require quality education and technological skills. During the pandemic, digital technology has played a pivotal role in facilitating activities and connecting with the world. However, without affordable access to technology there may be a digital divide leading to further inequality. Fourth, Bangladesh can also set a milestone on its 50th anniversary by initiating the universal social protection scheme for the poor. The need for a comprehensive social protection for all including those in the informal sector has been felt acutely during the ongoing pandemic. Fifth, 2021 is also an opportune moment for discarding the unsustainable way of development which is based on destruction of natural resources and biodiversity. This pattern of development creates inequality by depriving the poor to access the natural commons. To achieve sustainable development, the government has to work towards tackling climate change at the global level and preventing environmental degradation at the domestic level. Bangladesh can make 2021 a year full of opportunities by doing the above and much more.

Banking Sector of Bangladesh

Currently there are 61 Scheduled Banks are performing their Banking business in Bangladesh of which the numbers of Urban and Rural Branches are 5,224 and 4,890 respectively. Around 66.85% of Total Assets and 66.14% of Total Deposits are being handled by PCBs. On the other hand, SOCBs covers 26.16% of Total Assets and 27.02% of Total Deposits.

Bangladesh's banking system is now faced with a slow-motion banking crisis principally at the government-run banks along with some private sector banks. The current banking and non-banking financial sectors are in the most vulnerable position. The situation is anything but getting any better largely due to very fast credit growth and state directed lending and loan restructuring. All this raises the risk of a credit crunch.

The term NPL can be a contested term in the context of Bangladesh in the sense that loans are not performing in the businesses loans were allocated for, therefore business enterprises defaulted or close to default. These high NPLs have wrecked profitability of the Banks. The overall "capital to risk weighted assets ratio" (CRAR), a key measure of bank strength and stability," too has been affected by NPL.

Single digit lending rate of 9.0 per cent is enforced from April 01, 2020 as per Bangladesh Bank circular (BRPD Circular No.03) published on 25-02-2020. All the scheduled banks able to charge a maximum nine percent interest rate for lending, and six percent for deposit. Interest on deposits and loans is one of the important tools of the modern banking system. It greatly impacts the economy. The higher the rate of interest on loans the lower will be the investment and thereby it will negatively impact the economic growth. That's why in general, lower rate of interest is expected to build a healthy economy and keep up the positive growth of the economy. Implementing single digit interest rate is turning out to be a challenging task as it is discouraging people from saving, creating temporary deposit crisis in banks and squeezing lending.

The Covid-19 crisis is affecting the Banking Sector as well as the entire economy of Bangladesh

and some key sectors of the economy are already experiencing a slowdown as a result of the pandemic. Manufacturing sector, Tourism, transport and civil aviation are already affected. However, invisible impacts of Covid-19 are expected in 2020 regardless of the duration of the pandemic. The following economic impacts may be faced by Bangladesh economy after the COVID-19 pandemic:

- ◆ Exports earnings of the country to be reduced significantly in the upcoming year.
- ◆ Inward remittance flows to be declined sharply because of slowdown of world economy.
- ◆ Inflation rate will be mounted after the Covid-19 pandemic.
- ◆ Gross Domestic productions (GDP) of the country will be lessened in next fiscal year.
- ◆ Liquidity crisis will be faced by commercial banks.
- ◆ Private sector Credit growth of the Banks to be contracted.
- ◆ Unemployment rate will be soared up in upcoming years.

NRB Bank Limited – At a Glance

Corporate Banking

To meet the diverse financial needs of the corporates, the Bank provides a broad spectrum of products and services. With expertise, innovation and customization, the Bank simplifies the complexities of the financial world for the clients and helps them attaining their desired objectives. The prime focus is on building and maintaining long-term mutually beneficial relationship with the clients, and being a part of their journey towards development and growth.

NRB Bank has always been supporting the Corporates through a wide range of conventional Corporate Banking Products and Services along with cutting edge solutions through a focused approach. On many occasions, NRB Bank's innovative and insightful support has transformed corporate customers into market leaders. It has a proven track record as a book runner, mandated lead arranger and underwriter of Syndicated loans. Due to the long experience and flexible handling, the Bank can offer clients tailored loans and facilities as well as a complete service for complex transactions through

Syndication. As an unwavering financial partner with substantial underwriting capacity, the Bank offers clients the necessary services to raise capital and debt from the market.

Retail Banking Business

A large number of banks and non-banks have launched or re-launched retail products and are attempting to grow their share of the personal financial services market. Retail banking is much more than as opportunity to addressing dwindling margins. It is an imperative to preserve profits and market positions. Customers now have many more personal financial options, a growing credit culture, a willingness to switch between financial services providers, and a demand for lower interest rates. As they witness these trends, banks realize that they cannot remain passive. NRBBL always emphasizes on developing flexible and customized retail products on sophisticated technology platform for its diversified products and services. The Bank with its expanded branch network, efficient workforce, Direct Sales Executives and Alternate Delivery Channels (ADCs) is facilitating the banking services at the doorstep of the customer.

NRB Bank Retail Product Line:

Asset Products

The bank has a wide range of asset products to meet customer demands. The broad categories under Consumer Credit Schemes are:

- ◆ Personal Loan
- ◆ Auto Loan
- ◆ Home Loan for renovation, construction and apartment purchase
- ◆ Secured Loan

Liability Products

The bank has wide variety of deposit products in its product line to satisfy the consumers of different segments. Pearl Account especially for women, Power saver account, Amar shopno account (for underprivileged people), my early account and my future DPS for children of age below 18 and investment savings account for the resident Bangladeshi investors for capital market purpose are also there beyond general deposits products.

SME Business:

SME is one of the most significant contributors in attaining graduation of our country from Least-Developed Country to Developing country. SME financing uplifts our economy in a sustainable form through diversified portfolio, financial inclusion and employment generation. NRB Bank has strengthened its SME segment in parallel to accommodate the financial need of this thrust sector. We are giving special emphasize in manufacturing industries, women-led units and service oriented business initiatives. The bank has disbursed Loans to a large number of SME clients of various sectors/segments. NRB Bank is strengthening its business focus especially on SME Businesses which will further enrich the SME portfolio of the Bank. In addition to the regular Deposit and Loan Products, we have introduced tailor-made products to cater to the need of SME Clients and widen its distribution network throughout the country.

School Banking

Since the inception of School Banking, NRB Bank launched School Banking Program and the Bank successfully participated all school Banking conferences and seminars organized by Bangladesh Bank in different divisions of the country. NRBBL is operating attractive school banking accounts named after Student Banking titled "My Early Account" that can make banking easy and affordable for students because our student banking gives them a simple, straight forward features and time saving services to fit their needs as a modern citizen.



Agent Banking Business

With a view to providing banking services to the unbanked and underserved segment of the society at the geographically dispersed locations of our country, NRB Bank started its Agent Banking operation on 06th May, 2018 at Amtoli Bazar, Bijoynagar, B.Baria on pilot basis. Later, the honourable Chairman of the Bank, Mr. Mohammed Mahtabur Rahman formally inaugurated the operations of NRB Bank Agent Banking (Bondhu Agent Banking) on 22nd July, 2018 at Balinga Bazar, Beani Bazar, Sylhet. Since then, the Bank's Agent Banking Division has successfully launched 304 (three hundred and four) Agent Outlets at 58 (fifty eight) Upazilas of 25 (twenty five) Districts in Bangladesh.

Besides its Master and Unit Agents, NRB Bank has also expanded its Agent Banking channel through the Union Digital Centers (UDC) by signing an Agreement with the Government's a2i Programme under ICT Ministry on 31 July, 2018. Other than this, for facilitating its Agent Banking customers, NRB Bank has signed Agreements with various Government and Private Sector Bodies like, Rural Electrification Board (REB), Ekpays Project under a2i, PayWell Bangladesh Limited etc.

Apart from its regular Banking Services, NRB Bank Agent Banking Outlets are equipped with various exceptional and customer friendly banking products like, Weekly and Monthly DPS, Bondhu Sanchita Account (Special Savings Product for Women), Bondhu Double, Triple, Deer Gun and Monthly Benefits, Bondhu FDR and Lakhopati Schemes, Foreign Remittance Payments, School Banking, BEFTN, RTGS and Charge-free ATM Withdrawal Facilities etc., which undoubtedly have made the name of NRB Bank a Brand in the arena of Agent Banking in Bangladesh.

Alternate Delivery Channel

NRB Bank has established a wide network of ATMs across the country covering both urban and rural areas. The Bank's Card Division has so far introduced Visa Debit Cards, Credit Cards, ATMs, SMS Banking, and Internet Banking with a 24-hour call center.

Automated Teller Machines (ATMs)

NRB Bank now has a larger ATM network with 47 ATMs located across the country. The increase of ATMs is changing the conventional

banking trend and ATMs are becoming a major banking channel of choice for customers. We have already implemented Online Bills Collection of DESCO. Any Visa Card cardholder around the globe can enjoy the NRB Bank ATM facilities.

NRB has also joined the National Payment Switch of Bangladesh (NPSB). Through this arrangement, any member bank's cardholder can withdraw money from NRB Bank's ATMs as well as our cardholders can withdraw money from other NPSB member banks' ATMs.

Green Finance: Sustainable Finance

As climate change has become the burning issue over the last decade, NRBBL management is fully aware of the risk and also taking necessary steps to have an optimistic outcome on this issue. Complying with Bangladesh Bank's green banking policy, NRB Bank is financing environment friendly projects (such as renewable energy projects, clean water supply projects, waste treatment plant, solid waste disposal plant etc.) to ensure ecological balance. From the very beginning of its journey NRB Bank Ltd. Adopted CSR and Green Banking practices and activities which are the key areas of Sustainable Finance. Each year the Bank contributes substantial amount of money towards CSR activities. Since 2017, we have started direct Green Financing in environment friendly Brick manufacturing projects. From the inception of our Bank, top priority sectors of lending include SME and Agricultural sector. Almost 50% of our total loans fall under SME category. Every year, we fulfill Agricultural and Rural Credit disbursement target and receive appreciation from Bangladesh Bank. We have already started Agent Banking activities which has major impact in financial inclusion of underprivileged and rural people. As a whole, we are committed towards establishing Sustainable Finance in the country through integrating sustainability factors, i.e. environmental, social and economic considerations into our core banking activities and services.

Preparation of Financial Statements

The financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity. These statements have been prepared in accordance with the "First Schedule (Section-38) of the Bank Company Act 1991, BRPD circular # 14 dated 25 June 2003, the rules and regulations issued by Bangladesh Bank, International Financial Reporting Standards (IFRS) as adopted by the ICAB in the name of Bangladesh Financial Reporting Standards (BFRS), the Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchange's listing regulations and relevant rules & regulations applicable in Bangladesh. The financial statements of 2020 have been reviewed by the Audit Committee of the Board of Directors of the Bank and then referred to the Board of Directors for its consideration. The external auditors, M/s. Hoda Vasi Choudhury & Co., Chartered Accountants, appointed by the shareholders, have certified the fairness of the financial statements for the year ended 31 December 2020.

Maintaining Proper Books of Account

NRB Bank maintained proper books of accounts for its financial transactions occurred during the year 2020. The transactions are recorded as per guidelines stipulated by the Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standards (BFRS) as applicable for the bank. The books of accounts have also been reviewed by the external auditors, M/s. Hoda Vasi Choudhury & Co., Chartered Accountants.

Appropriate Accounting Policies

Appropriate accounting policies have been consistently applied, except for the changes disclosed in the financial statements in preparation of the statements and that the accounting estimates are based on reasonable and prudent judgment. Bank records financial transactions on accrual basis with required disclosures and also prepared the financial statements accordingly.

Follow up of IAS & IFRS in Preparation of Financial Statements

International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as applicable in Bangladesh have been followed in preparation of the financial statements. However, in case if requirement for provisioning and Circulars issued by Bangladesh Bank differs with those of other regulatory authorities and accounting standards, Circulars issued by Bangladesh Bank has

prevailed. As such the Bank has departed from certain requirements of BFRS in order to comply with the rules and regulations of Bangladesh Bank which are disclosed in notes to the financial statements.

Corporate Governance

Corporate Governance reflects the built in value system of the Bank in conducting its day to day affairs. NRB Bank recognizes the critical importance of effective Corporate Governance for the safe and sound functioning of the Bank and lays emphasis on ensuring that structures, processes and systems are put in place to establish strategic objectives to serve the interest of the Bank and its stakeholders with a view to facilitate effective monitoring.

Appointment of Auditors

The external auditors are responsible for reviewing the system of internal controls to form an opinion on the financial statements. M/s. Hoda Vasi Choudhury & Co., Chartered Accountants successfully conducted the audit of NRB Bank for the year 2020. As per provision of Bangladesh Bank Circular, they are eligible for reappointment and they have expressed their willingness for the next term. The external auditors are responsible for reviewing the system of internal controls to form an opinion on the financial statements. M/s. Hoda Vasi Choudhury & Co., Chartered Accountants successfully conducted the audit of NRB Bank for the year 2020. As per provision of Bangladesh Bank Circular, they are eligible for reappointment and they have expressed their willingness for the next term. The Board Audit Committee in its 41st meeting held on 26 April 2021 and subsequently the Board of Directors in its 119th Meeting held on 03 June 2021 recommended to appoint M/s. Hoda Vasi Choudhury & Co., Chartered Accountants as external auditors of the Bank for conducting audit for the year 2021.

Retirement and Re-election of Directors

In the 8th Annual General Meeting, election and re-election of Directors will be held as per Companies Act 1994, Bank Companies Act 1991, Bangladesh Bank's Circular, Articles of Association of the Bank and other prevailing rules & regulations.

Related Party Transactions

The Directors and other key Management

personnel are very much cautious to avoid any conflicts of interest in conformity with the prevailing rules and regulations. Related party transactions, when undertaken, are carried out on an arm's length basis without any special benefit to the related party. All such transactions have been approved by competent authority in compliance with Bangladesh Bank's BRPD circular # 04 dated 23 February 2014. All related party transactions have been incorporated in Note-39 of the financial statements.

Meeting of the Board

During the year 2020, the number of the meetings held by the Board of Directors was 21 (twenty One) and that of the Executive Committee was 04 (four). The Audit Committee of the Board of Directors held 05 (five) meetings and the Risk Management Committee of the Board sat for 06 (six) meetings during the period under report.

Remuneration of Directors

The Directors' Remuneration for the year ended 31 December 2020 has been given in the financial statements.

Dividend

The Board of Directors of the Bank has recommended 8.50% stock dividend for the year ended on 31 December 2020. Operating profit stood at Tk. 950 Million at the end of the year 2020. Profit before Tax stood at Tk. 949 Million at the end of year 2020 registering growth 113% compared to last year. Profit after Tax (PAT) stood at Tk. 671 million posting growth 635 % compared to last year and retained surplus stood at Tk. 481 million registering growth 484% compared to last year 2019.

Annual General Meeting (AGM)

8th Annual General Meeting of the Bank will be held on 15 July 2021 at 02 p.m. at Corporate Head Office, Uday Sanz, Plot # 2/B, Road # 134, Block- SE (A), Gulshan South Avenue, Gulshan-1, Dhaka-1212, Bangladesh. The Financial Statements were adopted in the 119th Meeting of the Board of Directors held on 03 June 2021 for the presentation to and approval of the Shareholders in the AGM.

Shareholders' value

All of our actions must lead to an ultimate goal – maximization of shareholders' value – for what we exist and excel. With this in mind, we will concentrate on enhancing profitability to raise Earnings per Share, Dividend as well as confidence of the Shareholders.

NRBBL is a 'Not Just Another Bank' Trademark

Together with you and our great team of banking excellence, we dream to build NRB Bank as a Supremacy Brand in the country and even beyond across the border. Convincingly, a supremacy brand carries enough strength to weather difficult times. The Board of Directors of NRB Bank aspires to honor your dream to make the Bank 'The First Choice of the Customers' is the closest distant future.

Thanks and Gratitude

We must express our gratitude to our respected shareholders, valued customers and all other stakeholders for believing in the Bank's Management. It goes without saying that we are so grateful to our dear colleagues for putting up a brave face, keeping the NRB spirit high and taking care of Customer's Banking needs during the Covid-19 pandemic to make sure that the Bank remains successful in providing best in class service to its customers at all times. With our tireless endeavor, we will lead to an ultimate goal-maximization of Shareholders' value for what we exist and excel.

On behalf of the Board of Directors



Mohammed Mahtabur Rahman
Chairman of the Board of Directors



Report of the Audit

Committee of the Board

The Audit Committee of the Board of NRB Bank Limited was formed by the Board of Directors to provide independent oversight of the company's financial reporting, non-financial corporate disclosures, internal control systems and compliance to govern rules and regulations in compliance with Bangladesh Bank guidelines and Bangladesh Securities and Exchange Commission. Following are the major objectives of the Audit Committee:

- ◆ To review the financial reporting process, system of internal control and approach to manage risks, audit process, findings of Central Bank comprehensive audit and bank processes for monitoring compliance with laws and regulations and its own code of business conduct;
- ◆ To assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the Bank.

COMPOSITION OF THE AUDIT COMMITTEE AND QUALIFICATIONS

In compliance with the section 3.2 (i) of Corporate Governance Notification issued by BSEC on 07 August 2012 and Bangladesh Bank BRPD Circular No.11, dated 27 October 2013, the Audit Committee of NRB Bank Limited was reconstituted by the Board in 111th Meeting held on 17 January 2021 consisting of the following members:

Name	Status with Bank	Status with the Committee	Educational Qualification
Mr. Imtiaz Ahmed	Director	Chairman	Post Graduate
Mr. Mohammed Jamil Iqbal	Director	Vice-Chairman	B A (Hons)
Mr. Humayen Kabir Khan	Director	Member	Graduate (La Guardia College, USA)
Mr. Mohammed Giash Uddin	Director	Member	HSC
Mr. Md. Motior Rahman	Independent Director	Member	M.com, (Accounting Dhaka University)

The Company Secretary acts as the Secretary of the Audit Committee of the Board.

Roles and responsibilities of Audit Committee

The roles and responsibilities of Audit Committee have been framed by following the provisions of BRPD Circular No 11 dated 27 October 2013, Corporate Governance Notification issued by BSEC on 07 August 2012, Corporate Governance Code 2018 and other best practiced corporate governance guidelines and standards. During the year, the committee held in total 05 (five) meetings to deal with various audit reports/agenda. The summary of activities during the year ended on 31 December 2020 are as follows:

Internal Control

- ◆ The committee reviewed and identified Bank's risk management activities including a deep drive into the key functions risks and mitigations plans;
- ◆ Evaluate whether the bank's management has been able to build a compliance culture, improving internal control practices with regular follow-up on corrective measures undertaken by the Management and ensuring governance and supervisory oversight from time to time with respect to bank's internal control system;

- ◆ Apprise the board of any fraud-forgery, internal control lapses found by internal or external auditors and inspection team of regulatory authority or identification of such other areas and remedial measures therein.

Financial Reporting

- ◆ To reviewed the Annual Financial Statements and meet with Management and External Auditor for reviewing annual financial statements before finalization;
- ◆ To discuss with management the company's major financial risk exposures and the steps that management has taken to monitor and control such exposures;
- ◆ To reviewed along with management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.

Internal Audit

- ◆ To guide, approve and reviewed annual & quarterly Internal Audit Plan, Internal Audit Process and Procedure, bank management body for ensuring compliance on audit recommendation(s) and scope of development, compliance status of audit recommendation, annual assessment of the performance of audit and inspection activity and the efficiency and effectiveness of internal audit function;
- ◆ To recommend audit findings to be placed to the Board of Directors.

External Audit

- ◆ To reviewed and guide external auditor's management report and financial audit report, bank's management for ensuring compliance with audit recommendation;
- ◆ Assist the Board regarding the appointment of the external auditors.

Acknowledgement

The Audit Committee expresses their sincere thanks and gratitude to the Members of the Board, Management and the Auditors for their excellent support to the Committee when they carried out their duties and responsibilities.

On behalf of the Audit Committee,



Imtiaz Ahmed
Chairman
The Audit Committee of the Board



CEO/CFO

Declaration

Board of Directors
NRB Bank Limited
Uday Sanz, Plot # 2/B, Road # 134,
Block- SE (A), Gulshan South Avenue
Gulshan-1, Dhaka-1212, Bangladesh.

SUB: CEO/CFO DECLARATION TO THE BOARD

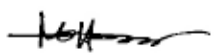
The following is provided to the Board of Directors of NRB Bank Limited in our capacity as the persons responsible for performing the functions of Managing Director & CEO and Chief Financial Officer of the Bank.

In accordance with the notification of Bangladesh Securities and Exchange Commission No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07, August, 2012 we declare that for the financial year ended 31 December 2020:

i. We have reviewed the financial statements for the year and that to the best of our Knowledge and belief:

- ◆ these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ◆ these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

ii. There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or violation of the Banks code of conduct.


Chief Financial Officer

 h
Managing Director & CEO

Certificate on Compliance on the Corporate Governance Code

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

We have examined the compliance status to the Corporate Governance Code by NRB Bank Limited ("the Company") for the year ended 31 December 2020. This Code relates to the notification no. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission; except conditions no.1(7),4(ii) and 6 due to regulations of Bangladesh Bank and 5(3)(a) as stated Annexure-A.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the Company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the Company is satisfactory.

This is also no endorsement about quality of contents in the Annual Report of the company for 2020.

Dhaka,
27 June 2021



For & on behalf of
ACNABIN
Chartered Accountants
M. Moniruzzaman, FCA
Partner



Corporate Governance Report

Corporate governance is the set of principles, policies, procedures and clearly defined responsibilities and accountabilities framed to overcome the conflicts of interest inherent in the corporate world. Corporate in today's business world is subject to a variety of conflicts of interest arising out of inherent complexities in forms and structures. Fairness, transparency, accountability and responsibility are the standards of Corporate Governance. It is about commitment to values and maintaining ethics in the conduct of business. So, Corporate Governance must be there in a reputable organization in order to:

- ◆ Eliminate or mitigate conflicts of interest, particularly of those between management and shareholders
- ◆ Ensure that the assets of the company are used efficiently and effectively and in the best interest of its shareholders and stakeholders

From the view point, conflicts of interest among Management, Stakeholders, Directors and Shareholders are the primary focus of most of the elements of corporate governance. Board of directors is a critical component for ensuring check and balance that lies at the heart of corporate governance. Board members owe a duty to make decisions based on what ultimately is best for the long-term interests of the shareholders. In order to do this effectively, Board members need a combination of three things:

- ◆ Independence
- ◆ Experience and
- ◆ Resources

Corporate Governance Practice at NRB Bank

The corporate governance practices of NRB Bank are guided by the directives of regulatory bodies: Bangladesh Bank and Bangladesh Securities and Exchange Commission. However, the Bank's corporate governance philosophy encompasses not only regulatory and legal requirements but also embodies various internal rules, policies, procedures and practices based on the best practices of local and global banks. At the bank, we attach a simple meaning to 'Corporate Governance' which is 'Due diligence' in observing responsibilities by Board as well as by Management to safeguard interest of key stakeholders i.e. depositors, shareholders, employees and the society as a whole. Two very important pillars of a good corporate governance structure are:

- ◆ Transparency and
- ◆ Accountability

These two pillars are backed by strong Internal Control and Compliance Structure and MIS capabilities in the bank.

Composition of Board of Directors

According to Clauses 94 of the Articles of Association of NRB Bank Limited, the Board of Directors is currently constituted with 20 (twenty) Directors including the Chairman & 03 (three) Independent Directors. All the Directors are well-qualified, experienced professionals and carrying tremendous value in their respective management capability. These Directors are successful businessmen in their own field and they also hold very responsible positions in public life. Directors have declared their respective interests and directorships at the time of joining the Board and also their dealings in Bank's securities are on full disclosure and arm's length basis. The Board meets at least once every Month. For smooth running of the Bank as well as for effective day-to-day management, they have delegated certain powers to the Managing Director. All essential management issues are discussed in the meetings of the Board and decisions are made on the basis of management opinion and exchange of views.

Meetings of the Board of Directors

The Board of Directors meets on regular basis: usually once in a month but emergency meetings are called when deemed necessary. Management provides information, references and detailed working papers for each agenda to all Directors well ahead of the date scheduled for meeting. Chairman of the Board of Directors allocates sufficient time for the Directors to consider each agenda item in a prudent way and allow them to freely discuss, inquire, and express opinions on the items of interest so that they can fulfill their duties to the best of their abilities. In 2020, a total of 21 meetings of the Board of Directors were held.

Responsibilities of Chairman and Chief Executive Officer

Roles of the Chairman of Board of Directors and the Managing Director are clearly spelled out in writing and have been agreed by the Board. The Chairman supervises the operation and effectiveness of the Board of Directors. As the Chief of the Board, he approves the agenda for the Board meetings with the assistance of the Managing Director and the Company Secretary. He further ensures that there is effective communication with stakeholders and promotes compliance with the highest standards of corporate governance. On the other hand, the Managing Director is responsible for implementation of agreed strategy and holds delegated authority from the Board for the day-to-day management of Bank business. Being the Head of Management Team, he is accountable to the Board and its Committees to run and manage the Bank in accordance with prescribed policies, principles and strategies adopted by the Board and guidelines from the Central Bank, BSEC and other regulatory bodies. In NRBBL, the corresponding responsibilities of the Chairman and the Managing Director imply that the Management of the Bank handles daily affairs of the Bank as a separate entity from the Board of Directors and both work in the common interests of the Bank and its stakeholders. Difference of opinion is settled in a harmonious way towards achieving more of Bank's goal together.

Benefits provided to the Directors and the Managing Director

As per Bangladesh Bank BRPD Circular No. 11 dated October 27, 2013, banks in the country can only provide the following facilities to the Directors:

- ◆ The Chairman of the Board of Directors may be provided with car, telephone, office chamber and private secretary.
- ◆ Directors are entitled to fees and other benefits for attending the Board/ Executive Committee/ Audit Committee/ Risk Management Committee meetings (Notes to the Financial Statements, note # 30)
- ◆ Managing Director is paid salaries and allowances as per approval of the Board and Bangladesh Bank (Notes to the Financial Statements note # 29)

NRBBL is compliant with the Bangladesh Bank Circulars and Guidelines in respect of the above.

Functions of the Board

The Board of Directors has the responsibility to the shareholders for overall guidance and control of the Bank. Among its key responsibilities, the Board approves all policies and strategies formulated by the Bank Management as well as ratify all decisions/approvals made by other Committees of the Board including the Executive Committee (EC) of the Board. The Board, while discharging its responsibilities, is committed to high standards of governance designed to protect the interests of shareholders along with all other stakeholders with highest level of integrity, transparency and accountability. The Directors of the Board are confident that they did their best in protecting stakeholders from the impacts of the difficult circumstances confronted during the year, as set out in the Directors' Report. The Board has initiated a fundamental review of risk governance with a view to being better equipped to anticipate financial market and economic discontinuities and trends in the future. This is monitored by a Committee of Directors and supported by independent Risk Management Division (RMD) of the Bank. The Board is committed to implementing the recommendations that emerge from the review of the Committees concerned.

Independence of Non-Executive Directors

All the Non-Executive Directors enjoy full freedom to carry out their respective responsibilities. They attend Board meetings regularly and participate in the deliberations and discussions effectively. They actively involve in the matter of formulation of general strategies of the Bank. But they do not participate in or interfere into the administrative or operational or routine affairs of the Bank. However, they ensure confidentiality of the Bank's agenda papers, discussions at the Board/ Committee Meetings, Notes and Minutes.

Board Committees and their Responsibilities

To ensure good governance i.e. corporate governance in bank management, Bangladesh Bank issued a circular (BRPD Circular No. 11 dated 27 October 2013) wherein it restricted banks to form more than three committees or sub-committees of the Board.

To ensure proper accountability and transparency through 'due diligence', the Bank has three Board committees namely Executive Committee, Audit Committee and Risk Management Committee of the Board of Directors mainly to oversee and guide the operations, performance and strategic directions of the Bank.

Executive Committee of the Board (EC)

In accordance with Bangladesh Bank instruction, the Board of Directors of NRB Bank has formed Executive Committee with 7 (seven) members. The Executive Committee is responsible for the review of the policies and guidelines issued by Bangladesh Bank in terms of credit and other operations of the banking industry. The Committee supervises the degree of execution of the policies and guidelines entrusted with the management. In the normal course of business, the EC of the Board approves the credit proposals in line with approved policy of the Board. Management is advised to exercise due diligence of the credit policy and risk management at the time of assessing credit proposals. The EC in its continuous efforts guides the Management to develop uniform and minimum acceptable credit standards for the Bank.



Audit Committee of the Board (BAC)

The Board Audit Committee meets the external auditor and provides them the recommendations on the overall audit plan. They also discuss the auditor's interaction with the Management and the Management's response as well as corrective actions taken. They review the quarterly financials and approve Quarterly, Half Yearly and Annual financial reports of the Bank. The Audit Committee also meets the Head of Internal Control & Compliance of the Bank to review their charter, scopes of work and the organization structure. The inspection reports from regulators are also presented to the Audit Committee for their review and action. The Board Audit Committee of NRB Bank consists of 5 (five) Directors and is constituted with the members not included in the Executive Committee of the Board. Company Secretary is the member secretary to the committee.

The Board Audit Committee assists the Board in carrying out its responsibilities relating to:

- ◆ integrity of the financial statements and any related formal announcements;
- ◆ overseeing the relationship between the Board and its external auditors;
- ◆ review of the Bank's internal controls, including financial controls;
- ◆ assessment of the effectiveness of the internal audit, compliance and risk management functions;
- ◆ review of the internal and external audit plans and subsequent findings;
- ◆ ensure compliances of accounting policies namely Bangladesh Accounting Standards (BAS);
- ◆ review of internal and external auditors' report;
- ◆ obligations under applicable laws and regulations including Securities and Exchange Commission Guidelines; and
- ◆ review of the effectiveness of the services provided by the external auditors and other related matters.

NRB Bank Board Audit Committee held 05 (five) meetings in 2020 and had thorough discussions and review session with the CEO, Head of

Internal Control & Compliance, External Auditors etc. Highlights of the Audit Committee activity during the year 2020 are appended in the Report of the Audit Committee at page no 54

Risk Management Committee of the Board (RMC)

According to Bank Company Act, 1991 (Amendment upto 2018) and BRPD Circular No. 11 dated October 27, 2013, the Bank has constituted Risk Management Committee (RMC). RMC has been formed by the Board essentially to play an effective role in reducing ensued and potential risks in the process of implementation of bank's strategy and work-plan as devised by the Board of Directors. The Committee, in addition, ensures efficient execution of related responsibilities of the Board. The RMC has the responsibility of oversee as regards, whether proper risk mitigation processes/ methods are being applied and required capital and provisions are maintained by management after it has duly identified and measured credit risk, foreign exchange risk, internal control & compliance risk, money laundering risk, ICT risk, operating risk, interest risk, liquidity risk and other risks. Risk Management Committee of NRB Bank consists of 5 (five) members chosen from the Board. The Company Secretary of the Bank acts as the secretary to the Committee. All the committee members have honesty, integrity and ability to invest adequate time in affairs of the Committee. All of the members of RMC have adequate insight about banking business, bank operation, various risks along with knowledge about their own duties and responsibilities. Risk Management Committee has the following responsibilities:

- ◆ To design mechanism to determine and control risks
- ◆ To prepare organizational structure
- ◆ To review and approve risk management policy
- ◆ To implement data preservation and reporting system
- ◆ To supervise the status of implementation of all risk management principles
- ◆ To ensure compliance on directives issued from regulatory bodies from time to time.

NRB Bank Risk Management Committee (RMC) held 06 (six) meetings in 2020 and had thorough discussions and review session with the CEO and CRO on various risk related issues.

Appointment of External Auditors and the purview of their activities

As per recommendation of the Board of Directors, the shareholders of the Bank in the 7th AGM held on 23 December 2020 approved the appointment of M/s. Hoda Vasi Choudhury & Co., Chartered Accountants as the statutory auditors of the Bank for the year 2020. In compliance with the provision 4 of BSEC guidelines, the External Auditors were not engaged in any of the following services during the year 2020:

- ◆ Appraisal or valuation services or fairness opinions.
- ◆ Financial information system design and implementation.
- ◆ Bookkeeping or other services related to accounting records or financial statements.
- ◆ Broker-Dealer services.
- ◆ Actuarial services.
- ◆ Internal audit services.
- ◆ Any other service that the Audit Committee of the Board determined.

Internal Control & Compliance

The Directors acknowledge their responsibility for building the systems of internal control and for reviewing their effectiveness at regular interval. Such systems are designed to control, rather than eliminate the risk of failure to achieve business objectives and can provide reasonable, but not absolute, assurance against material misstatement or loss. The losses could stem from the nature of the Bank's business in undertaking a wide range of financial services that inherently entail varying degrees of risk. The Bank has established a comprehensive framework to document and test its internal control structures and procedures conforming to the requirements of regulatory bodies. The Bank's overall control systems include:

- ◆ A clearly defined organizational structure with defined authority limits and reporting mechanisms to senior management and to the Board of Directors;
- ◆ Establishment of Committees with duties and responsibilities in core policy areas;
- ◆ A complete set of policies and procedures related to financial controls, asset and liability management (including major risks in financial managements);
- ◆ Code of Conduct setting out the standards of behaviour expected of all levels of directors, officers and employees; and
- ◆ Regular reporting by business divisions/ units that helps assess the progress against business objectives to be monitored, trends to be evaluated and variances to be acted upon.

The controls as outlined above are rooted within the operations of the Board and reviewed by Bank's Internal Audit. The review focuses the areas of greater risk as identified by risk analyst. The Directors confirm that the Board, by properly engaging the Committees, has reviewed the effectiveness of internal control for the year ended 31 December 2020. This process ensured an internal control system to the tune of best financial reporting practice throughout the financial year and up to the date of the signing of these financial statements. There was an assessment of the ongoing process for the identification, evaluation and management of individual risks and of the role of the various committees and Bank's risk management actions and the extent to which various significant challenges are understood and addressed.

Human Capital

'Employee First' is the motto of the bank. We believe that the source of our competitive advantages laid deep inside our company, in our people. Our core brand has always been our employees, appreciated for their passion to perform. For us, employees are the best brand. We do not offer our employees a job, we offer them a career to pursue.

Management committees and their responsibilities

In an effective CG Structure, bank management

has a collective mandate under the leadership of MD & CEO to carry out daily operations in the best interest of the stakeholders. The Management team of NRBBL is headed by the Managing Director & Chief Executive Officer, Mr. Mamoon Mahmood Shah. Several Management Committees have been formed to handle the banking operation and identify and manage risk. The committees are SMT, ALCO, RMC, Investment Committee, Credit and Purchase Committee etc. Managing Director leads the three most important Committees, SMT, ALCO and Investment Committee.

SMT is considered the highest decision and policy making authority of the management which consists of the CEO and different business and support unit heads. The major roles and responsibilities of SMT are as follows:

- ◆ Set or review vision, mission and strategies of the Bank as a whole and for business units for effective discharging of management responsibilities.
- ◆ Analysis of business and financial performance of the Bank.
- ◆ Monthly business review and analyses of each business unit (Corporate, SME, Retail and Treasury) performance.
- ◆ Review and discuss policies and procedures of the Bank and make changes if necessary before taking to the Board.
- ◆ Discuss and approve Budget before forwarding to Board.

Election / Re-election of Directors

Election and Re-election of Directors are held as per Companies Act 1994, Bank Company Act 1991, Bangladesh Bank's Circulars and other prevailing rules & regulations.

The Community

In our sustainability planning, we recognize the importance of contributing to the society and the community as ardently as possible. We are aware that Bank's financed projects pose no adverse impacts on environment. Clients are also made aware of environmental compliance along with other regulatory compliance, such as, credit rating. Specific allocation (10% of Bank's net profit) is made for CSR initiatives every year to optimize values for the community and the habitat.

The Government

NRB Bank is always tax compliant as a responsible corporate business house. The Bank makes payment of corporate tax on time and sometimes even before the time it takes effect. The Bank deducts excise duty, withheld tax and VAT on time from employee's salary, as well as customers and vendors, and deposits to Government Treasury on time. During 2020, NRBBL paid advance corporate tax of BDT 223.75 million while deposited withheld tax of BDT 401.04 million, VAT of BDT 92.42 million and Excise Duty of BDT 74.54 million.

Related Party Transactions

The Bank in its normal course of business, conducted financial transactions with some entities or persons that fall within the purview of 'Related Party' as contained in BAS 24 (Related Party Disclosures) and as defined in Bangladesh Bank BRPD circular 04, dated 23.02.2014. A statement of Related Party Transactions has been given at page no.184 of the Report (Notes to the Financial Statement, note # 39).

Compliance Status on Corporate Governance Guidelines

Bangladesh Securities and Exchange Commission (BSEC) has introduced a new checklist for Compliance Status of Corporate Governance Guidelines vide Notification dated 03 June 2018 for the Companies listed with Stock Exchanges. Bank's Status of compliance is appended below:



Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No (SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

ANNEXURE- A

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	Board of Directors (BOD)			
1(1)	Board size (number of Board members: minimum 5 and maximum 20)	√		The NRB Bank Board is Comprised of 19 (Nineteen) Directors
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	√		There are 2 (Two) Independent Directors out of the total of 19 Directors. According to the provisions of 1(1) of the corporate governance guidelines of BSEC, the Board of NRB Bank Limited has been constituted as per section 15(9) of the Bank Companies act 1991 (amended up to 2018)
1(2)(b)	Independent Director means a Director			
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	√		The Independent directors have submitted declarations about their compliances
1(2)(b)(ii)	Who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries, and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company based on family relationship and his or her family members also shall not hold above-mentioned shares in the company	√		-do-
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	√		-do-
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies	√		-do-
1(2)(b)(v)	Who is not a member, director, or officer of any stock exchange	√		-do-
1(2)(b)(vi)	Who is not a shareholder, director, or officer of any member of the stock exchange or an intermediary of the capital market	√		-do-
1(2)(b)(vii)	Who is not a partner or executive or was not a partner or an executive during the preceding 3 (three) years of the company's statutory audit firm	√		-do-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(viii)	Who shall not be an independent director in more than 5 (five) listed companies	√		-do-
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	√		-do-
1(2)(b)(x)	Who has not been convicted for a criminal offense involving moral turpitude	√		-do-
1(2)(c)	Independent Director(s) shall be appointed by the Board of Directors approved by the shareholders in the Annual General Meeting (AGM)	√		a) Mr. Md. Abdul Jalil Chowdhury in his 1 st term and his appointment was approved at the 5 th AGM held on 28 June 2018 b) The appointment of Mr. Md. Motior Rahman was approved at 6 th AGM held on 23 June 2019
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days	√		No such cases occurred during the reporting year.
1(2)(e)	The tenure of office of an independent director shall be for 3 (three) years, which may be extended for 1 (one) term only	√		The Independent Directors are in their regular term of office
1(3)	Independent Directors shall have the following Qualification			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who can ensure compliance with financial, regulatory, and corporate laws and can make a meaningful contribution to business	√		The qualifications and background of Independent directors justify their abilities as such
1(3)(b)(i)	Independent director should be a Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. (100) million or any listed company or a member of any national or international chamber of commerce or business association; or	Not Applicable		
1(3)(b)(ii)	Independent director should be a Corporate Leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with an equivalent position of an unlisted company having minimum paid-up capital of Tk100 million or of a listed company; or	√		
1(3)(b)(iii)	Independent director should be a Former official of government or statutory or autonomous or regulatory Board of Directors in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	√		



Condition No.	Title	Compliance Status (“√” has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(iv)	Independent director should be a University Teacher who has an educational background in Economics or Commerce or Business Studies or Law	√		
1(3)(b)(v)	Independent director should be a professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification.	Not Applicable		
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		
1(3)(d)	In some special cases, the above qualifications may be relaxed subject to prior approval of the Commission	None		No such case in the reporting year
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		The Chairperson of the Board and the CEO are different individuals
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		The CEO does not hold the same position in any other listed company
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	√		All Board members are non-executive director. The Chairperson of the Board is the non-executive director
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	√		NRB Bank has followed the BRPD circular no 18, dated 2013 for respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board’s meeting; the reason for the absence of the regular Chairperson shall be duly recorded in the minutes	None		No such case in the reporting year
1(5)	The Directors’ Report shall include the following additional statements			
1(5)(i)	Industry outlook and possible future developments in the industry	√		Included in the Director’s Report of the Annual Report
1(5)(ii)	Segment-wise or product-wise performance	√		-do-
1(5)(iii)	Risks and concerns including internal and external risk factors, a threat to sustainability, and negative impact on the environment, if any	√		-do-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(iv)	A discussion on Cost of Goods Sold, Gross Profit Margin, and Net Profit Margin (Where applicable)	√		-do-
1(5)(v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		-do-
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing the amount, nature of the related party, nature of transactions, and basis of transactions of all related party transactions	√		-do-
1(5)(vii)	Utilization of proceeds from public issues, rights issues, and/or through any other instrument.	Not Applicable		
1(5)(viii)	An explanation of the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.	Not Applicable		
1(5)(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements, the management shall explain the variance	Not Applicable		
1(5)(x)	Remuneration to directors including independent directors	√		Included in the Director's Report of the Annual Report
1(5)(xi)	The financial statements present fairly its state of affairs, the result of its operations, cash flows, and changes in equity	√		-do-
1(5)(xii)	A statement that proper books of accounts have been maintained	√		-do-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		-do-
1(5)(xiv)	A statement that International Accounting Standards (IAS)/ International Financial Reporting Standard (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements and any departure there- from has been adequately disclosed	√		-do-
1(5)(xv)	The system of Internal control is sound in design and has been effectively implemented and monitored	√		-do-
1(5)(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	Not Applicable		
1(5)(xvii)	Going Concern (ability to continue as going concern)	√		-do-
1(5)(xviii)	Highlight and explain significant deviations from the last year's operating results	√		-do-
1(5)(xix)	Key operating and financial data of at least preceding 5(five) years shall be summarized	√		Stated in stakeholder's information in the annual report
1(5)(xx)	Reason for non-declaration of Dividend	Not Applicable		No such case in the reporting year



Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	Not Applicable		No interim dividend is declared but an 8.50% stock dividend has recommended for the year ended 31 December 2020
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director	√		Included in the Director's Report of the Annual report
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties	Not Applicable		NRB Bank has no subsidiary company
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children	√		The Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance, and their spouses and minor children do not hold any shares
1(5)(xxiii)(c)	Executives Explanation: For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, and Head of Internal Audit and Compliance	√		The Executives of the Company do not hold any shares
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details);	√		Stated in Pattern of Shareholdings which comply with the guideline
1(5) (xxiv)	The appointment or reappointment of a director, a disclosure on the following information to the shareholders			
1(5)(xxiv)(a)	A brief resume of the director	√		Stated in the profile of Director's in the Annual Report
1(5)(xxiv)(b)	Nature of his or her expertise in specific functional areas	√		-do-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		Stated in the related party disclosures
1(5)(xxv)	A Management's Discussion and Analysis signed by the MD or CEO presenting a detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for the preparation of financial statements	√		Stated in the Management Discussion and Analysis of the Annual Report
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in the absolute figure for such changes	√		-do-

Condition No.	Title	Compliance Status (“√” has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)(c)	Comparative analysis (including the effect of inflation) of financial performances or results and financial position as well as cash flows for the current financial year with immediately preceding five years explaining reasons thereof	√		Stated in the Stakeholder’s Information on the Annual Report
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		-do-
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe	√		Stated in the Director’s Report.
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		Stated in the Chief Risk Officer’s Report on Risk Management in the Annual Report
1(5)(xxv)(g)	Future plan or projection or forecast for the company’s operations, performance, and financial position, with justification thereof, i. e., the actual position shall be explained to the shareholders in the next AGM	√		Included in the Annual Report
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) disclosed as per Annexure-A	√		-do-
1(5)(xxvii)	The report as well as certificate regarding the compliance of conditions of this Code as required under condition No. 9 shall be disclosed	√		-do-
1(6)	The company conducted its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code	√		Company conduct its board meetings and record the minutes of the meetings as well as keep required books and records as per provisions of Bangladesh Secretarial Standards (BSS)
1(7)	Code of Conduct for the Chairperson, other Board members, and Chief Executive Officer			
1(7)(a)	The Board laid down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. (6), for the Chairperson of the Board, other board members, and Chief Executive Officer of the company	-		Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC
1(7)(b)	The code of conduct as determined by the NRC posted on the website of the company including, among others, prudent conduct and behavior, confidentiality, conflict of interest, compliance with laws, rules and regulations, prohibition of insider trading, relationship with the environment, employees, customers and suppliers, and independency	-		
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions regarding the composition of the Board of the holding company made applicable to the composition of the Board of the subsidiary company	Not Applicable		NRB Bank limited does not have any subsidiary company as on reporting date



Condition No.	Title	Compliance Status (“√” has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	Not Applicable		-do-
2(c)	The minutes of the Board meeting of the subsidiary company placed for review at the following Board meeting of the holding company	Not Applicable		-do-
2(d)	The minutes of the respective Board meeting of the holding company stated that they have reviewed the affairs of the subsidiary company also	Not Applicable		-do-
2(e)	The Audit Committee of the holding company also reviewed the financial statements, and in particular, the investments made by the subsidiary company	Not Applicable		-do-
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC), and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board appointed a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO), and a Head of Internal Audit and Compliance (HIAC)	√		The MD or CEO, CFO, CS, and Head of Internal Audit and compliance have been appointed by the Board
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), and Head of Internal Audit and Compliance (HIAC) filled by different individuals	√		The MD or CEO, CFO, CS, and Head of Internal Audit are four different individuals and their roles and responsibilities are separately defined
3(1)(c)	The MD or CEO, CS, CFO, and HIAC of a listed company did not hold any executive position in any other company at the same time	√		The MD or CEO, CS, CFO, and HIAC do not hold any executive position in any other company
3(1) (d)	The Board clearly defined respective roles, responsibilities, and duties of the CFO, the HIAC, and the CS	√		The roles and responsibilities are separately defined
3(1)(e)	The MD or CEO, CS, CFO, and HIAC not removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√		In Practice

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(2)	The requirement to attend Board of directors Meetings			
	The MD or CEO, CS, CFO, and HIAC of the company attended the meetings of the Board	√		The MD or CEO, CS, CFO, and HIAC of the company attended the Board meetings
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)(i)	The MD or CEO and CFO certified to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		The MD or CEO and CFO has duly certified to the Board and the declaration is disclosed in the Annual Report
3(3) (a)(ii)	These statements together presented a true and fair view of the company's affairs and comply with existing accounting standards and applicable laws	√		-do-
3(3)(b)	The MD or CEO and CFO also certified that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal, or in violation of the code of conduct for the company's Board or its members	√		-do-
3(3) (c)	The certification of the MD or CEO and CFO disclosed in the Annual Report	√		The declaration by the CEO and CFO of the Annual Report
4	Board of Directors Committee			
	For ensuring good governance in the company, the Board shall have at least the following sub-committee			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	-		Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC
5	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee is a sub-committee of the Board of Directors	√		The audit committee is established as per BSEC guidelines



Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(1)(b)	The Audit Committee assisted the Board of Directors in ensuring that the financial statements reflected a true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		The Audit Committee discharges its responsibilities as per BSEC guidelines
5(1)(c)	The Audit Committee is responsible to the Board of Directors (The duties of the Audit Committee are outlined in writing)	√		The duties of the Audit Committee are clearly defined in the Board approved Audit Committee as per BSEC guidelines
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee is composed of at least 3 members	√		Audit Committee comprises of 5 (five) members
5(2)(b)	The Board of Directors appointed members of the Audit Committee who is the directors of the company and included at least 1 (one) Independent Director	√		All members of the Audit Committee are non-executive directors, out of which one member is Independent Director. All the members are appointed by the Board. The Chair of the Board is not a member of the Audit Committee
5(2)(c)	All members of the audit committee are "financially literate" and at least 1 (one) member has accounting or "related financial management experience"	√		Based on the academic qualifications and professional experience, which provided on the Annual Report that all the existing members of the Audit Committee are "financially literate" and they have "related financial management experience" as per BSEC notification
5(2)(d)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before the expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	None		No such case in the reporting year
5(2)(e)	The Company Secretary acted as the secretary of the Audit Committee	√		In Practice
5(2)(f)	The quorum of the Audit Committee meeting is not constituted without at least 1(one) independent director	√		In Practice

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(3)	Chairman of the Audit Committee			
5(3)(a)	The Board of Directors selected the Chairman of the Audit Committee, who is an Independent Director		√	Under Consideration
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case, there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes	None		No such case in the reporting year
5(3)(c)	The Chairman of the audit committee remained present in the AGM	√		In Practice
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee conducted at least its four meetings in a financial year	√		There were five (5) meetings held during the reporting period
5(4)(b)	The quorum of the meeting of the Audit Committee is constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where the presence of an independent director is a must	√		In Practice
5(5)	Role of Audit Committee			
5(5)(a)	Oversee the financial reporting process	√		The Audit Committee performs as per BSEC's guidelines
5(5)(b)	Monitor the choice of accounting policies and principles	√		-do-
5(5)(c)	Monitor Internal Control Risk Management process	√		-do-
5(5)(d)	Oversee hiring and performance of external auditors	√		-do-
5(5)(e)	Hold a meeting with the external or statutory auditors	√		-do-
5(5)(f)	Review the annual financial statements before submission to the board for approval	√		-do-
5(5)(g)	Review the quarterly and half-yearly financial statements before submission to the board for approval	√		-do-
5(5)(h)	Review the adequacy of internal audit function	√		-do-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		-do-
5(5)(j)	Review statement of significantly related party transactions submitted by the management	√		-do-
5(5)(k)	Review Management Letters/Letter of Internal Control Weakness issued by statutory auditors	√		-do-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed, and time required for effective audit and evaluate the performance of external auditors	√		-do-



Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(5)(m)	Disclosure to the Audit Committee about the uses/applications of IPO funds by major category (capital expenditure, sales, and marketing expenses, working capital, etc.), every quarter, as a part of their quarterly declaration of financial results (Further, on an annual basis, shall prepare a statement of funds utilized for the purposes other than those stated in the prospectus)	Not Applicable		No such case in the reporting year
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	Reporting to Board of Directors on the activities of the Audit Committee	√		
5(6)(a)(ii)(a)	Reporting to Board of Directors on conflicts of interests	None		No such case in the reporting year
5(6)(a)(ii)(b)	Reporting to Board of Directors on any fraud or irregularity or material defect in the internal control system	√		Activities of the Audit Committee are reported to the Board of Directors disclosed in the annual report.
5(6)(a)(ii)(c)	Reporting to Board of Directors on suspected infringement of laws	None		No such case in the reporting year
5(6)(a)(ii)(d)	Reporting to Board of Directors on any other matter	None		-do-
5(6)(b)	Reporting to BSEC (if any material impact on the financial condition & results of operation, unreasonably ignored by the management)	None		-do-
5(7)	Reporting to the Shareholders of Audit Committee activities, which shall be signed by the Chairman and disclosed in the Annual Report	√		Activities of the Audit Committee are reported to the Board of Directors disclosed in the annual report.
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board			Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(1)(b)	The NRC shall assist the Board in the formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences, and independence of directors and top-level executive as well as a policy for the formal process of considering remuneration of directors, top-level executive			-do-
6(1)(c)	The Terms of Reference (TOR) of the NRC shall be clearly outlined in writing covering the areas stated in condition No. 6 (5)(b)			-do-
6 (2)	Constitution of the NRC			
6 (2)(a)	The Committee shall comprise of at least three members including an independent director			Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC
6 (2)(b)	All members of the Committee shall be non-executive directors			-do-
6 (2)(c)	Members of the Committee shall be nominated and appointed by the Board			-do-
6 (2)(d)	The Board shall have authority to remove and appoint any member of the Committee			-do-
6 (2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee			-do-
6 (2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as an advisor who shall be a non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee			-do-
6 (2)(g)	The company secretary shall act as the secretary of the Committee			-do-
6 (2)(h)	The quorum of the NRC meeting shall not constitute without the attendance of at least an independent director;			-do-



Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6 (2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company			-do-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director			Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason for the absence of the regular Chairperson shall be duly recorded in the minutes			-do-
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders			-do-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year			Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC
6(4)(b)	The Chairperson of the NRC may convene an emergency meeting upon request by any member of the NRC			-do-
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two-third of the members of the Committee, whichever is higher, where the presence of an independent director is must as required under condition No. 6(2)(h)			-do-

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC			-do-
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the board and the shareholders			Clause #5 of BRPD circular number 11 Dated 27 October 2013 issued by Bangladesh Bank does not permit any bank in Bangladesh to form any other committee except three committees namely the Executive committee, Audit committee, and risk management committee. Accordingly, the bank has not formed NRC
6(5)(b)	NRC shall oversee, among others, the following matters and make a report with a recommendation to the Board			-do-
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes, and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top-level executive, considering the following			-do-
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully			-do-
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmark			-do-
6(5)(b)(i)(c)	Remuneration to directors, top-level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals			-do-
6(5)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background, and nationality			-do-
6(5)(iii)	Identifying persons who are qualified to become directors and who may be appointed in a top-level executive position following the criteria laid down, and re-commend their appointment and removal to the Board			-do-
6(5)(iv)	Formulating the criteria for evaluation of the performance of independent directors and the Board			-do-
6(5)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria			-do-



Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies			-do-
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			-do-
7	External / Statutory Auditors			
7(1)(i)	Non-engagement in appraisal or valuation services or fairness opinions	√		As declared by the auditors
7(1)(ii)	Non-engagement in designing and implementation of Financial Information System	√		-do-
7(1)(iii)	Non-engagement in Book Keeping or other services related to the accounting records or financial statements	√		-do-
7(1)(iv)	Non-engagement in Broker-dealer services	√		-do-
7(1)(v)	Non-engagement in actuarial services	√		-do-
7(1)(vi)	Non-engagement in internal audit services	√		-do-
7(1)(vii)	Non-engagement in any other services that the Audit Committee determines	√		-do-
7(1)(viii)	Non-engagement in audit or certification services on compliance of corporate governance as required under condition No (9(1); and	√		-do-
7(1)(ix)	Non-engagement in any other service that creates a conflict of interest	√		-do-
7(2)	No partner or employees of the external audit firms possesses any share of the company during the tenure of their assignment	√		-do-
7(3)	Representative of external/statutory auditors remained present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders	√		In Practice
8	Maintaining a website by the Company			
8(1)	The company has an official website linked with the website of the stock exchange	Not Applicable		
8(2)	The company kept the website functional from the date of listing	Not Applicable		
8(3)	The company made available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s)	Not Applicable		
9	Reporting and Compliance of Corporate Governance			

Condition No.	Title	Compliance Status ("√" has been put in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
9(1)	Obtaining a certificate from a practicing Professional Accountant / Secretary regarding the compliance of the conditions of the Corporate Governance Guidelines of the BSEC and include in the Annual Report	√		NRB Bank has obtained the certificate from ACNABIN, Chartered Accountants regarding the compliance of conditions of Corporate Governance Code 2018, and such certificate is disclosed on the Annual Report
9(2)	The professional will provide the certificate on compliance with this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		The Board appointed the Compliance Auditor and their appointment was approved by the Shareholders
9(3)	Directors statement in the directors' report whether the company has complied with these conditions	√		Detailed status of compliance is given on Annual Report in the compliance schedule as published with the Directors' Report



Status of Compliance of Bangladesh Bank's guidelines for Corporate Governance as per BRPD Circular No. 11 dated 27 October 2013.

SL No.	Particulars	Compliance Status
1	Formation of Board of Directors: The newly amended Section 15 of the Bank Company Act, 1991 (Amended upto 2018) includes provisions for prior approval of Bangladesh Bank before the appointment of new bank directors, as well as dismissal, termination or removal of any director from the post; director's fit & proper criteria; maximum number of directors; appointment of independent directors; appointment of maximum 2(two) members from a family as director; etc.	Complied
1.1	Appointment of New directors: Under section 15(4) of the Bank Company Act, 1991 (amended upto 2018), every banking company, other than specialized banks, at the time of taking prior approval from Bangladesh Bank for appointing/reappointing directors should furnish all required documents along with the application:	Complied
1.2	Vacation of office of Director: a) The office of director shall be vacated according to the instructions specified in section 108(1) of the Companies Act, 1994. Besides, when a bank director becomes defaulter and does not repay the loan within two months after getting a notice under the section 17 of the Bank Company Act, 1991; provides false statement at the time of appointment; or fails to fulfil the minimum eligibility criteria, the office of the director will be vacated. b) If the office of a director is vacated by a notice under the section 17 of BCA, the person will not be eligible to become a director of the bank or any other bank or any financial institution for one year from the date of repayment of the total amount due to the bank. It is mentionable here that the dues can be adjusted with the shares held by the director in that bank. When a director receives a notice under section 17 of BCA, 1991, he/she can't transfer his/her shares of that bank until he/she repays all the liabilities of the noticed bank or financial institution. c) Besides, Bangladesh Bank can remove a director or chairman of a bank, except state owned banks, for conducting any kind of activities that is detrimental to the interest of the banks depositors or against the public interest under Section 46 and can supersede the board of a banking company under Section 47 of BCA, 1991.	Complied
1.3	Removal of Directors from office: According to section 108(2) of the Companies Act, 1994, with the prior approval of Bangladesh Bank, a bank director other than specialized banks can be removed from his office for the reason specified in its Articles of Association. For this purpose, the reason and grounds of the dismissal/removal and copy of the decision of the board and list of directors should be submitted to Bangladesh Bank. In this case, the removal will be effective from the date of Bangladesh Bank's approval.	Not Applicable

SL No.	Particulars	Compliance Status
1.4	Appointment of Alternate Director: Subject to compliance of section 101 of the Companies Act, 1994, an alternate director can be appointed to act for a director during his absence for a continuous period of not less than three months from Bangladesh. In this context, the following instructions should be followed: a) Bank has to collect and properly maintain the documentary evidences relating to departure and arrival of the original director. If there is any exception, the chief executive officer should immediately inform it to Bangladesh Bank. b) The copy of the decision of the board regarding appointment of alternate director, with original director's probable returning date from abroad should be sent to Bangladesh Bank within 7 days of taking the decision and the director's arrival date must be intimated to Bangladesh Bank immediately after his return. c) Any loan defaulter or any person who is not eligible to become a director as per any rules & regulation will not be appointed as an alternate director. d) As appointment of alternate director is a temporary measure; therefore, he/she will not be included in any kind of committee constituted by the board. e) While in the office, an alternate director or his/her affiliated organization will not get any kind of loan facilities from his bank. In case of previous loan, enhancement of limit or extension of time period or any kind of exemption or interest waiver will not be allowed. Moreover, all restrictions applicable to directors according to rules & regulations will also be applicable to the alternate director.	Complied
2	Depositor Director: As the previous provisions regarding appointment of Depositor Directors of the Bank Company Act, 1991 has been amended; appointment of director from depositors is no longer required. But, after complying regulation under sec 15(9) of the Bank Company Act, 1991 (amended upto 2018) bank can consider the tenure of existing depositor director or may appoint them as independent director.	Not Applicable
3	Information regarding Directors: Banks are advised to take the following steps regarding director information: a) Every bank should keep an updated list of bank directors, b) Banks should send a directors' list to other banks or financial institutions immediately after the appointment or release of director. c) Banks should display a list of directors in the website and update it on a regular basis.	Complied
4	Responsibilities of the Board of Directors: To ensure good governance in the bank management it is essential to have specific demarcation of responsibilities and authorities among controlling bodies over bank affairs. In the Bank Company Act, 1991 (amended upto 2018) the newly included Section 15(kha) & (ga) give responsibility to the board of directors for establishing policies for the bank company, for risk management, internal controls, internal audit and compliance and for ensuring their implementation.	Complied
4.1	Responsibilities and Authorities of the Board of Directors:	



SL No.	Particulars	Compliance Status
4.1(a)	Work-planning and strategic management: i. The board shall determine the objectives and goals and to this end shall chalk out strategies and work-plans on annual basis. It shall specially engage itself in the affairs of making strategies consistent with the determined objectives and goals and in the issues relating to structural change and reformation for enhancement of institutional efficiency and other relevant policy matters. It shall analyze/monitor, at quarterly rests, the development of implementation of the work-plans. ii. The board shall have its analytical review incorporated in the Annual Report as regards to the success/failure in achieving the business and other targets as set out in its annual work-plan and shall apprise the shareholders of its opinions/ recommendations on future plans and strategies. It shall set the Key Performance Indicators (KPIs) for the CEO & officers immediate two tiers below the CEO, and have it evaluated from time to time.	Complied
4.1(b)	Credit and risk management: i. The policies, strategies, procedures etc. in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule and write-off thereof shall be made with the board's approval under the purview of the existing laws, rules and regulations. The board shall specifically distribute the power of sanction of loan/investment and such distribution should desirably be made among the CEO and his subordinate executives as much as possible. No director, however, shall interfere, direct or indirect, into the process of loan approval. ii. The board shall frame policies for risk management and get them complied with and shall monitor the compliance at quarterly rests and review the concerned report of the risk management team and shall compile in the minutes of the board meeting. The board shall monitor the compliance of the guidelines of Bangladesh Bank regarding key risk management.	Complied
4.1(c)	Internal control management: The board shall be vigilant on the internal control system of the bank in order to attain and maintain satisfactory qualitative standard of its loan/investment portfolio. The board will establish such an internal control system so that the internal audit process can be conducted independently from the management. It shall review the reports submitted by its audit committee at quarterly rests regarding compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.	Complied
4.1(d)	Human resources management and development: i. Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules shall be framed and approved by the board. The chairman or the directors shall in no way involve themselves or interfere into or influence over any administrative affairs including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors shall be included in the selection committees for recruitment and promotion to different levels. Recruitment, promotion, transfer & punishment of the officers immediate two tiers below the CEO shall, however, rest upon the board. Such recruitment and promotion shall have to be carried out complying with the service rules i.e., policies for recruitment and promotion. ii. The board shall focus its special attention to the development of skills of bank's staff in different fields of its business activities including prudent appraisal of loan/investment proposals, and to the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board shall get these programmes incorporated in its annual work plan. iii. The board will compose Code of Ethics for every tier and they will follow it properly. The board will promote healthy code of conducts for developing a compliance culture.	Complied

SL No.	Particulars	Compliance Status
4.1(e)	Financial management: i. The annual budget and the statutory financial statements shall be finalized with the approval of the board. It shall at quarterly rests review/monitor the positions in respect of bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans including legal measures. ii. The board shall frame the policies and procedures for bank's purchase and procurement activities and shall accordingly approve the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures shall rest on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles etc. for the purpose of bank's business shall, however, be adopted with the approval of the board. iii. The board will review whether an Asset-Liability Committee (ALCO) has been formed and it is working according to Bangladesh Bank guidelines.	Complied
4.1(f)	Appointment of Chief Executive Officer (CEO): In order to strengthen the financial base of the bank and obtain confidence of the depositors, one of the major responsibilities of the board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. The Board of directors will appoint a suitable CEO with the approval of the Bangladesh Bank.	Complied
4.1(g)	Other responsibilities of the Board: The board should follow and comply with the responsibilities assigned by Bangladesh Bank.	Complied
4.2	Meeting of Board: Board of directors may meet once or more than once in a month if necessary. But Board of directors shall meet at least once in every three months. Excessive meetings are discouraged.	Complied
4.3	Responsibilities of the Chairman of the Board of Directors: a) As the chairman of the board of directors or chairman of any committee formed by the board or any director does not personally possess the jurisdiction to apply policy making or executive authority, he/she shall not participate in or interfere into the administrative or operational and routine affairs of the bank. b) The chairman may conduct on-site inspection of any bank-branch or financing activities under the purview of the oversight responsibilities of the board. He may call for any information relating to bank's operation or ask for investigation into any such affairs; he may submit such information or investigation report to the meeting of the board or the executive committee and if deemed necessary, with the approval of the board, he shall effect necessary action thereon in accordance with the set rules through the CEO. However, any complaint against the CEO shall have to be apprised to Bangladesh Bank through the board along with the statement of the CEO. c) The chairman may be offered an office-room, a personal secretary/assistant, one peon/MLSS, one telephone at the office, one mobile phone to use inside the country and a vehicle in the business-interest of the bank subject to the approval of the board.	Complied
5	Formation of committees from the Board of Directors: Each bank company can form 1(one) executive committee, 1(one) audit committee and 1(one) risk management committee with the directors. Board can't form any other permanent, temporary or sub-committee except the above mentioned three committees.	Complied
5.1	Executive committee: Executive committee should be formed with the members of the board to continue the urgent and daily or routine works between the intervals of two board meetings. Executive committee will perform according to their terms of reference determined by the board of directors.	Complied



SL No.	Particulars	Compliance Status
5.1(a)	Organizational structure: i. Members of the committee will be nominated by the board of directors from themselves; ii. The executive committee will comprise of maximum 07 (seven) members; iii. Members may be appointed for a 03 (three)-year term of office; iv. Chairman of the Board of Directors can be the chairman of executive committee; v. Company secretary of the bank will be the secretary of the executive committee.	Complied
5.1(b)	Qualifications of the Members: i. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; ii. Each member should be capable of making valuable and effective contributions in the functioning of the committee; iii. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	Complied
5.1(c)	Roles and Responsibilities of the Executive Committee: i. The executive committee can decide or can act in those cases as instructed by the Board of directors that are not specifically assigned on full board through the Bank Company Act, 1991 and other laws and regulations ii. The executive committee can take all necessary decision or can approve cases within power delegated by the board of directors. iii. All decisions taken in the executive committee should be ratified in the next board meeting.	Complied
5.1(d)	Meetings: i. The executive committee can sit any time as it may deem fit. ii. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary; iii. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; iv. All decisions/observations of the committee should be noted in minutes.	Complied
5.2	Audit Committee: The board will approve the objectives, strategies and overall business plans of the bank and the audit committee will assist the board in fulfilling its oversight responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct.	Complied
5.2(a)	Organizational structure: i. Members of the committee will be nominated by the board of directors from the directors; ii. The audit committee will comprise of maximum 05 (five) members, with minimum 2 (two) independent director; iii. Audit committee will comprise with directors who are not executive committee members; iv. Members may be appointed for a 03 (three) year term of office; v. Company secretary of the bank will be the secretary of the audit committee.	Complied

SL No.	Particulars	Compliance Status
5.2(b)	Qualifications of the Member: - Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee ; - Each member should be capable of making valuable and effective contributions in the functioning of the committee; - To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks. - Professionally Experienced persons in banking/financial institutions specially having educational qualification in Finance, Banking, Management, Economics, Accounting will get preference in forming the committee.	Complied
5.2(c)	Roles and Responsibilities of the Audit Committee	
5.2(c)(i)	Internal Control: - Evaluate whether management is setting the appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities; - Review management's actions in building computerization of the bank and its applications and bank's Management Information System (MIS); - Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management; - Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.	Complied
5.2(c)(ii)	Financial Reporting: - Audit committee will check whether the financial statements reflect the complete and concrete information and determine whether the statements are prepared according to existing rules & regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank; - Discuss with management and the external auditors to review the financial statements before its finalization.	Complied
5.2(c)(iii)	Internal Audit: - Audit committee will monitor whether internal audit working independently from the management. - Review the activities of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process; - Examine the efficiency and effectiveness of internal audit function; - Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.	Complied
5.2(c)(iv)	External Audit: - Review the performance of the external auditors and their audit reports; - Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not. - Make recommendations to the board regarding the appointment of the external auditors.	Complied



SL No.	Particulars	Compliance Status
5.2(c)(v)	Compliance with existing laws and Regulations: Review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.	Complied
5.2(c)(vi)	Other Responsibilities: 1. Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities; 2. External and internal auditors will submit their related assessment report, if the committee solicit; 3. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis. d) Meetings: 1. The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; 2. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary; 3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; 4. All decisions/observations of the committee should be noted in minutes.	Complied
5.2(d)	Meetings: 1. The audit committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; 2. The committee may invite Chief Executive Officer, Head of internal audit or any other Officer to its meetings, if it deems necessary; 3. To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; 4. All decisions/observations of the committee should be noted in minutes.	Complied
5.3	Risk Management Committee: To play an effective role in mitigating impending risks arising out from strategies and policies formulated by the Board and to carry out the responsibilities efficiently, a risk management committee will be formed. After identifying and assessing several risk factors like credit risks, foreign exchange risks, internal control and compliance risks, money laundering risks, information and communication risks, management risks, interest risks, liquidity risks etc.; the risk management committee will scrutinize whether appropriate risk management measures are being put in place and applied and whether adequate capital and provision is being maintained against the risks identified.	Complied
5.3(a)	Organizational Structure: 1. Members of the committee will be nominated by the board of directors from themselves; 2. The Risk Management Committee will comprise of maximum 05 (five) members; 3. Members may be appointed for a 03 (three) year term of office; 4. Company secretary of the bank will be the secretary of the Risk Management Committee.	Complied
5.3(b)	Qualifications of the Member: 1. Integrity, dedication, and opportunity to spare time in the functions of committee will have to be considered while nominating a director to the committee; 2. Each member should be capable of making valuable and effective contributions in the functioning of the committee; 3. To perform his or her role effectively each committee member should have adequate understanding of the detailed responsibilities of the committee membership as well as the bank's business, operations and its risks.	Complied

SL No.	Particulars	Compliance Status
5.3(c)	Roles and Responsibilities of the Risk Management Committee:	
5.3(c)(i)	Risk identification & control policy : Formulation and implementation of appropriate strategies for risk assessment and its control is the responsibility of Risk Management Committee. Risk Management Committee will monitor risk management policies & methods and amend it if necessary. The committee will review the risk management process to ensure effective prevention and control measures.	Complied
5.3(c)(ii)	Construction of organizational structure: The responsibility of Risk Management Committee is to ensure an adequate organizational structure for managing risk within the bank. The Risk Management Committee will supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control & compliance risk, money laundering risk, information & communication risk including other risk related guidelines.	Complied
5.3(c)(iii)	Analysis and approval of Risk Management policy: Risk management policies & guidelines of the bank should be reviewed annually by the committee. The committee will propose amendments if necessary and send it to the Board of Directors for their approval. Besides, other limits including lending limit should be reviewed at least once annually and should be amended, if necessary.	Complied
5.3(c)(iv)	Storage of data & Reporting system: Adequate record keeping & reporting system developed by the bank management will be approved by the risk management committee. The committee will ensure proper use of the system. The committee will minute its proposal, suggestions & summary in a specific format & inform the Board of Directors.	Complied
5.3(c)(v)	Monitoring the implementation of overall Risk Management Policy: Risk Management Committee will monitor proper implementation of overall risk management policies. They will monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.	Complied
5.3(c)(vi)	Other responsibilities: - Committee's decision and suggestions should be submitted to the Board of Directors quarterly in short form; - Comply instructions issued time to time by the controlling body; - Internal & external auditor will submit respective evaluation report whenever required by the committee.	Complied
5.3(d)	Meetings: - The risk management committee should hold at least 4 meetings in a year and it can sit any time as it may deems fit; - The committee may invite Chief Executive Officer, Chief Risk Officer and any other Officer to its meetings, if it deems necessary; - To ensure active participation and contribution by the members, a detailed memorandum should be distributed to committee members well in advance before each meeting; - All decisions/observations of the committee should be noted in minutes.	Complied
6	Training for the Directors: The directors shall make themselves fully aware of the banking laws and other related rules and regulations for performing his duties properly.	Complied



Annexure 01
[As per condition no. 1(5)(xxii)]

Meeting of the Directors of NRB Bank Limited During the year 2020
Board of Directors:

Sl.	Directors	Designation	No. of Meeting	No. of Attendance	% of Attendance
1.	Mr. Mohammed Mahtabur Rahman	Chairman	21	20	95.24%
2.	Mr. Tateyama Kabir	Vice Chairman	21	21	100.00%
3.	Mr. Mohammed Jamil Iqbal	Vice Chairman	21	18	85.71%
4.	Mr. Khandakar R. Amin	Director	21	20 (01 meeting was attended by his Alternate Director Mr. Khandakar H. U Bahar)	95.24%
5.	Mr. Imtiaz Ahmed	Director	21	15 (03 meetings were attended by his Alternate Director)	100.00%
6.	Mr. Ali Ahmed	Director	21	19	90.48%
7.	Mr. Iqbal Ahmed OBE DBA	Director	21	20	95.24%
8.	Mr. Mohammed Jahed Iqbal	Director	21	21 (01 meeting was attended by his alternate Director Mr. Muhammad Asif Zaman)	100.00%
9.	Mr. Abdul Karim	Director	21	19	90.48%
10.	Mr. Mohammed Idrish Farazy	Director	21	20	95.24%
11.	Mr. Nesar Ahmed Choudhury	Director	21	19 (01 meeting was attended by his Alternate Director Mr. Mr. Akhtar Hamid Khan)	90.48%
12.	Mr. Nafih Rashid Khan	Director	21	17 (17 meetings were attended by his Alternate Director Mr. Aminur Rashid Khan)	80.95%
13.	Mr. Naveed Rashid Khan	Director	21	21	100.00%
14.	Mr. M Badiuzzaman	Director	21	20	95.24%
15.	Mr. Humayen Kabir Khan	Director	21	15 (11 meetings were attended by his alternate Director Mr. Abdul Quayum Khaliq)	71.43%
16.	Mr. Mohammed Giash Uddin	Director	21	0 Appointed in 7th AGM held on 23.12.2020	0.00%
17.	Mr. Mohammed Ehsanur Rahman	Director	21	0 Appointed in 7th AGM held on 23.12.2020	0.00%
18.	Mr. Md. Abdul Jalil Chowdhury	Independent Director	21	20	95.24%
19.	Mr. Md. Motior Rahman	Independent Director	21	18	85.71%

Pattern of Shareholding

The pattern of shareholding of NRB Bank Limited as on 31 December 2020 as per Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018:

- a) Shareholding by Parent/Subsidiary/Associated Companies and other related parties : Nil
- b) Shares held by Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their Spouses and Minor Children are as follows :

Status as of 31 December 2020:

(i) Shares held by Directors and their Spouses

Sl.	Directors	Status	No. of Shares	Name of Spouse	No. of Shares
1.	Mr. Mohammed Mahtabur Rahman	Chairman	16,160,000	Mrs. Bayzun N Chowdhury	3,499,200
2.	Mr. Tateyama Kabir	Vice Chairman	14,580,000	Mrs. Hasina Akther	NIL
3.	Mr. Mohammed Jamil Iqbal	Vice Chairman	21,578,400	Mrs. Shireen Khanom	NIL
4.	Mr. Khandakar R. Amin	Director	9,331,200	Mrs. Shapali Khandakar	NIL
5.	Mr. Imtiaz Ahmed	Director	2,332,800	Mrs. Aktar Nasim Ahmed	NIL
6.	Mr. Ali Ahmed	Director	6,415,200	Mrs. Jamila Begum Ahmed	NIL
7.	Mr. Iqbal Ahmed OBE DBA	Director	21,600,000	Mrs. Salma Iqbal	NIL
8.	Mr. Mohammed Jahed Iqbal	Director	12,247,200	Mrs. Sebina Akter Chowdhury	NIL
9.	Mr. Abdul Karim	Director	23,328,000	Mrs. Afia Begum	NIL
10.	Mr. Mohammed Idrish Farazy	Director	2,700,000	Mrs. Tahmina Akter Mitu	NIL
11.	Mr. Nesar Ahmed Choudhury	Director	2,916,000	Mrs. Shajna Choudhury	NIL
12.	Mr. Nafih Rashid Khan	Director	21,578,400	Mrs. Anika Hoque Khan	NIL
13.	Mr. Naveed Rashid Khan	Director	23,328,000	Mrs. Farjana Kazi	NIL
14.	Mr. M Badiuzzaman	Director	20,969,280	Mrs. Nasreen Zaman	NIL
15.	Mr. Humayen Kabir Khan	Director	6,925,500	N/A	N/A
16.	Mr. Mohammed Giash Uddin	Director	2,332,800	Mrs. Salma Khatun	NIL
17.	Mr. Mohammed Ehsanur Rahman	Director	22,408,667	Mrs. Rafa Jaigirdar	7,000,000
18.	Mr. Md. Abdul Jalil Chowdhury	Independent Director	NIL	Mrs. Shaheda Chowdhury	NIL
19.	Mr. Md. Motior Rahman	Independent Director	NIL	Mrs. Nurunnahar Begum	NIL

(ii) Shares held by:

Chief Executive Officer	: Nil
Company Secretary	: Nil
Chief Financial Officer	: Nil
Head of Internal Audit	: Nil
Spouses of above Executives	: Nil

- c) Shareholding by other Executives and Spouse : Nil
- d) Shareholders holding ten percent (10%) or more voting interest in the company : Nil



Chief Risk Officer's Report on Risk Management

There is a strong link between good corporate governance and sound risk management. Without proper risk management, the various functions in a banking institution cannot work together to achieve the bank's objectives. The changing nature of today's business environment is increasing both the scope and potential impact of the risks we face in our day-to-day operations. Managing risk therefore constantly requires innovation and reinvention.

Under the Integrated Risk Management Direction of Bangladesh Bank, NRB Bank's risk management framework is focused on supporting the day to day business activities of the Bank by building and strengthening its risk management processes at all levels of the organization.

While NRB Bank Ltd. remains committed to maximizing shareholder value by growing its business in line with a Board determined risk appetite, the Bank is mindful of achieving this objective in the best interest of all stakeholders. The Bank's risk management strategy is to achieve a sound balance between risk and return to the business, whilst maintaining strong liquidity and adequate capital positions at all times combined with a robust asset quality.

NRB Bank Ltd. has continuously investing in risk and capital management resources and infrastructure to support the Bank's growing credit portfolio. The implemented programme have helped us to streamline our business processes, contributed towards improving our risk monitoring capabilities to meet a more demanding regulatory environment and supported the decision making process by providing faster access to critical information.

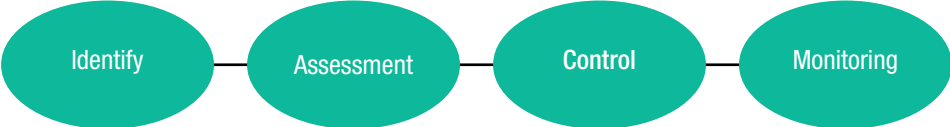
Risk Management Framework:

In NRB Bank Ltd, risk management is a dynamic process interrelated with the philosophy, culture and functionalities of the bank. Risk is clearly identified, measured, mitigated or minimized to shield capital and to maximize value for

shareholders. NRBBL affixes utmost priority to establish, maintain and upgrade risk management infrastructure, systems and procedures. Required resources are allocated in this regard to improve capacity, skill and expertise of relevant resources to enhance their risk management. Different policies and procedures are approved by Board of Director of NRBBL. These guideline are regularly assessed time to time to update them. Recognizing the impacts of internal and potential risk domains, the bank has laid down different risk management processes consisting of definition, identification, analysis, measurement, acceptance and proper management of risk profile.

Risk Management Process:

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

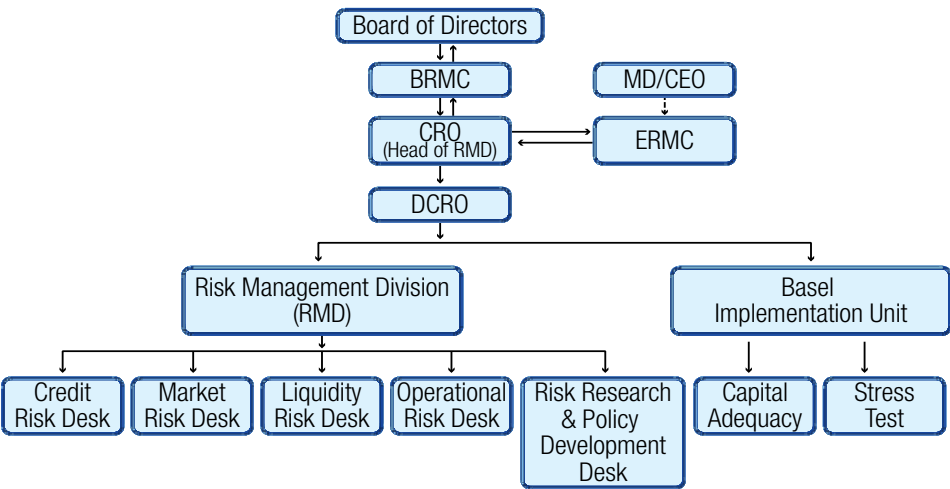


Steps	Activity
Identify	- Establish the process for identifying and understanding business-level risks.
Assess	- Agree and implement measurement and reporting standards and methodologies.
Control	- Establish key control processes and practices, including limit structures, impairment allowance criteria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

Risk Strategy and Risk Appetite

A Bank's strategy details the long-term and in some cases, short-term goals and objectives, as well as how progress towards their achievement is measured. Along with business goals, the Bank should have risk goals and risk strategies which enable them to achieve the desired risk profile. The Board of Directors set the strategies and the senior management is responsible for implementing those strategies and communicating them throughout the Bank. Bank's Risk Appetite Framework consists of risk capacity, risk appetite statement and key risk appetite measures. Application of the risk appetite statement and monitoring of the key risk appetite measures help to ensure the Bank stay within appropriate risk boundaries. Risk appetite statement plays an important role in cascading the risk strategy down through the Bank. NRB Bank Limited has also approved its update Risk appetite Statement from 103rd Board Meeting held on 25th August, 2020.

NRB Bank’s Present Organogram of Risk Management Division:



Risk Governance and Organization:

Effective risk management begins with effective risk governance. The Bank has a well-established risk governance structure with an active and engaged Board of Directors supported by an experienced Senior Management Team, that is, independent of the business lines. Decision-making is highly centralized through a number of senior and executive risk management committees.

Board Risk Management Committee:

The Board of Directors, either directly or through its committee ensures that decision-making is aligned with the Bank’s strategies and risk appetite. The Risk Management Committee receives regular updates on the key risks of the Bank and approves key risk policies, limits, strategies, and risk appetite. The Risk Management Division of the Bank reports to the Board Risk Management committee on the effectiveness of the risk governance structure and risk management framework regularly.

Following are the members of Risk Management Committee of the Board of Directors in the year 2020:

SL	Name	Position in the Committee
1	Dr. Nesar Ahmed Choudhury	Chairman
2	Mr. Mohammed Jamil Iqbal	Vice Chairman
3	Mr. Mohammed Rafique Miah	Member
4	Mr. Md. Abdul Jalil Chowdhury	Member
5	Mr. Md. Motior Rahman	Member

In the year 2020, 6 (Six) meetings of the Risk Management Committee of the Board (BRMC) were held accordingly which are as follows:

SL	Particulars	Meeting held on
1	22 nd Board Risk Management Committee	17-05-2020
2	23 rd Board Risk Management Committee	07-06-2020
3	24 th Board Risk Management Committee	05-07-2020
4	25 th Board Risk Management Committee	09-08-2020
5	26 th Board Risk Management Committee	16-08-2020
6	27 th Board Risk Management Committee	12-12-2020

Executive Risk Management Committee:

NRB Bank has its Executive Risk Management Committee (ERMC) which includes heads of all core risk management divisions and other senior officials of the bank. Top management of NRB Bank is aware of bank’s risk profile on an ongoing basis and submit updated report to ERMC for review on regular basis. For effective oversight of risk management by ERMC, the members of ERMC is provided with sufficient information and they get enabled to understand the bank’s risk profile, how risks are assessed and as well. To serve this purpose of ERMC, members oversee the development, implementation and maintenance of an appropriate Management Information System (MIS) that identify, measure, monitor and control bank’s various risks. And finally through effective communications among the members of the committee provide necessary guidance which are mentioned in respective minutes and ensured necessary action taken by the concerned parties. This committee convenes every month with the name of “Executive Risk Management Committee (ERMC)”.

Risk Management Division (RMD):

Risk Management Division (RMD) of the bank is responsible for establishing bank’s risk management framework and to ensure that the procedures for identification, monitoring, mitigating and managing risks are in place and Bangladesh Bank risk management guidelines, core risk management guidelines of each area and Capital Adequacy under Basel Accord are being complied effectively. NRB Bank’s risk mitigating technique is not to wait for the risk to manifest but to take precautionary measures before incident happens. To supplement the stand, RMD is extensively working on capacity building and exchange of ideas about risk management for creating a robust risk awareness and risk management culture within the bank.

The main functions of the department include, but not limited to, the following:

- ◆ Managing the process for developing risk policies and procedures;
- ◆ Coordinating with business users/units to prepare functional specifications;
- ◆ Preparing and forwarding risk reports; and
- ◆ Assisting in the implementation of all aspects of the risk function.

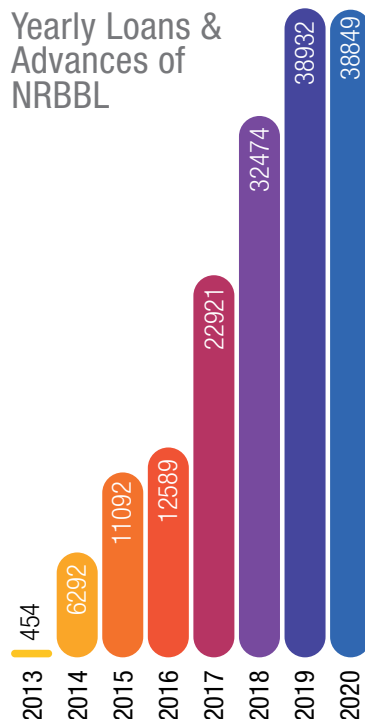
Credit Risk Management:

Credit risk is the most significant and inherent risk in banking business. Every loan exposure or transaction with counterparty involves the Bank to some extent of credit risks. Credit Risk Management is at the heart of the overall risk management system of the Bank. It is designed and regularly updated to identify, measure, manage and mitigate credit risk to maintain and improve quality of loan portfolio and reduce actual loan losses and to ensure that approved processes are followed and appropriate due diligence are made in approving new credit facilities and renewals. Bank's credit risk management (CRM) division specifically addresses the following areas:

- ◆ Implementation of the credit risk policy/strategy approved by the board.
- ◆ Ensure compliance with limits approved by the board.
- ◆ Makings recommendations to the board, for its approval, clear policies on standards for presentation of credit proposals, financial covenants, rating standards and benchmarks.

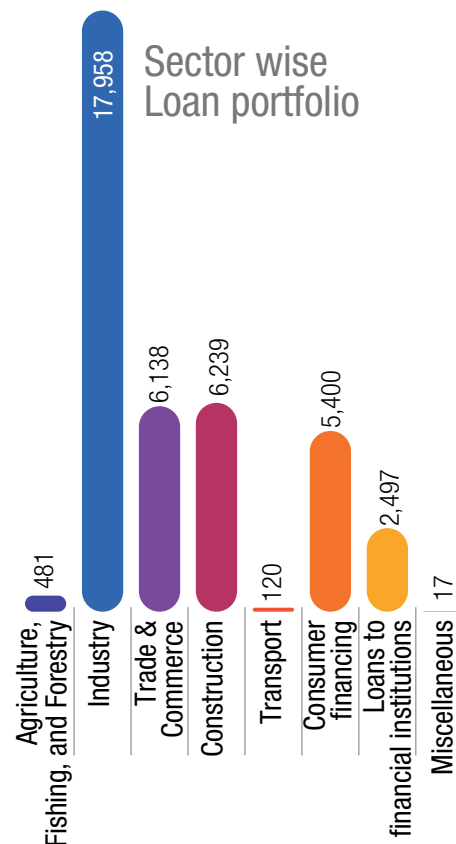
Deciding delegation of credit approving powers, prudential limits on large credit exposures, standards for loan collateral, portfolio management, loan review mechanism, risk concentrations, risk monitoring and evaluation, pricing of loans, provisioning, regulatory/legal compliance, etc.

Yearly Loans & Advances of NRBBL



Amount in Million

Sector wise Loan portfolio



Classification Status



Division Wise Exposure



Dhaka= BDT 28092
 Chattogram= BDT 6493
 Rajshahi= BDT 1041
 Sylhet= BDT 1224
 Khulna= BDT 1459
 Rangpur= BDT 0
 Barisal= BDT 0
 Mymensingh= BDT 539

Market Risk Management:

Market risk can be defined as the risk of losses in on and off-balance sheet positions arising from adverse movements in market prices. Market risk stems from all the positions included in the Bank's trading book, foreign exchange risk as well as from commodity positions. The Bank is susceptible to market risk due to movement in the interest rates, equity prices and exchange rates and the Bank has no exposure to commodity risk.

Market Risk Management Framework:

Market risk management is a systematic function on risk identification, measurement and monitoring relating to interest rates (both deposit and lending), foreign exchange and equity in order to manage/mitigate adverse impacts. The Bank manages the market risk based on the market risk related policies, guidelines and the limit structure approved by the Board. Management of the interest rate risk and the exchange rate risk is the responsibility of the Asset and Liability Management Committee, while the Investment Committee is responsible for managing the equity risk.

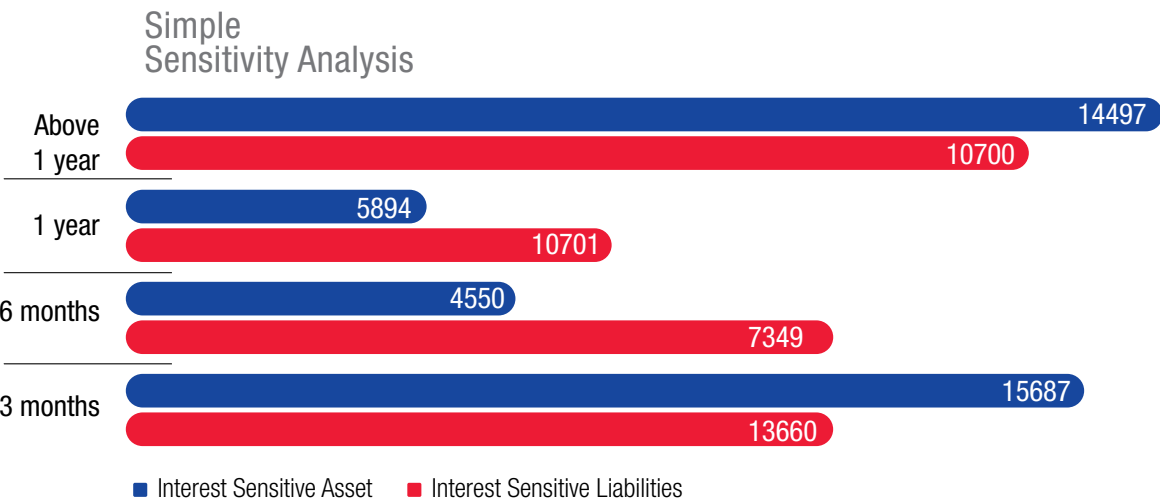
Market Risk Identification and Assessment:

Interest Rate Risk: Interest rate risk is the risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationships. The changes in interest rates will affect the net interest income of the Bank and the value of on balance sheet rate sensitive assets & liabilities and off balance sheet positions.

Interest rate risk is one of the most significant aspects in the market risk as the changes in interest rates affect both the earnings value and the economic value of equity of the Bank. Therefore, the interest rate risk is measured in both these perspectives.

The Bank uses several techniques such as rate sensitive gap analysis, duration gap analysis under stress testing to assess the interest rate risk.

Under the earnings perspective, maturity gap of Rate Sensitive Assets (RSAs) and Rate Sensitive Liabilities (RSLs) are assessed considering the re-pricing which is used to measure the Interest Rate Risk in the Banking Book (IRRBB). This is the simplest technique to measure the interest rate risk.



Equity Risk:

Equity risk is the risk that the individual's equity/debt investments will depreciate because of stock market dynamics causing one to lose money. The Bank is conscious of systematic and unsystematic risks of the equity portfolio. The Bank has a limit structure to monitor and minimize the equity risk in the trading portfolio. Value at Risk (VaR) and stress testing techniques are used by the Bank to measure the equity risk in the trading portfolio.

To control Equity price risks, the Bank uses the following instruments:

- ◆ Establishing and controlling the observance of equity price risk limits: stop-loss limits, limits on the volume of open positions, limits on the volume of the Bank's potential losses, connected with changes in the Equity price risk factor.
- ◆ System indicators for early warnings about potential financial market crisis;

Stress Testing Results for Interest rate, Foreign Exchange and Equity Risk:

Particulars	Minor	Moderate	Major
Shock applied by the bank	1%	2%	3%
Interest rate	(0.78)	(1.57)	(2.35)
CRAR after interest rate shock	16.05	15.26	14.48
Shock applied by the bank	5%	10%	15%
Currency Appreciation	(0.02)	(0.04)	(0.06)
CRAR after exchange rate shock	16.81	16.79	16.77
Shock applied by the bank	10%	20%	40%
Equity shock	(0.30)	(0.60)	(1.21)
CRAR after equity shock	13.53	16.23	15.62

Operational Risk Management:

Proper operational risk management prevents losses resulting from inadequate or failed internal processes, people and system or from external events. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses. The Board and senior management of NRB Bank Limited ensures that there is an effective, integrated operational risk management framework. This encompasses clearly defined organizational structures, with defined roles and responsibilities for all aspects of operational risk management/ monitoring and there are appropriate tools that support the identification, assessment, control and reporting of key risks. NRB Bank Limited has taken following measures to mitigate Operational Risk:

- ◆ Establishing a strong operational risk management culture throughout the Bank.
- ◆ Integrate operational risk management activities into the Bank's overall risk management processes.
- ◆ Ensure the implementation of all policies, processes and systems effectively at all decision making levels
- ◆ Developing a clear, effective and robust governance structure with well defined, transparent and consistent lines of responsibility.
- ◆ To ensure a strong control environment that utilizes policies, processes and systems; appropriate internal controls; and standard risk mitigation and/or transfer strategies.

Keeping the above focus NRB Bank Limited has put a structured framework for the effective management of operational risks.

Capital Requirement for Operational Risk:

Details	Amount in Million
Total RWA for Operational risk	3740.14
Total Capital requirement for Operational risk	374.01

Liquidity Risk Management:

Liquidity risk arises when the Bank cannot maintain or generate sufficient funds to meet its payment obligations as they fall due or can only do so at a material loss. This can arise when counterparties who provide funding to the Bank withdraw or do not roll over a line of funding or as a result of a

general disruption in financial markets which lead to normal liquid assets becoming illiquid. The main sources of the Bank's funding are capital, core deposits from retail and commercial clients, wholesale deposits and access to borrowed funds from the interbank money market. NRB Bank manages liquidity risk in accordance with regulatory guidelines and international best practices.

Contractual maturity of assets and liabilities, liquidity ratios to include adherence to regulatory requirements and monthly liquidity forecasts generated from the ALM system are reviewed at ALCO meetings. Furthermore liquidity stress tests are carried out to assess the impact of extreme events.

Liquidity risk is further broken down into:

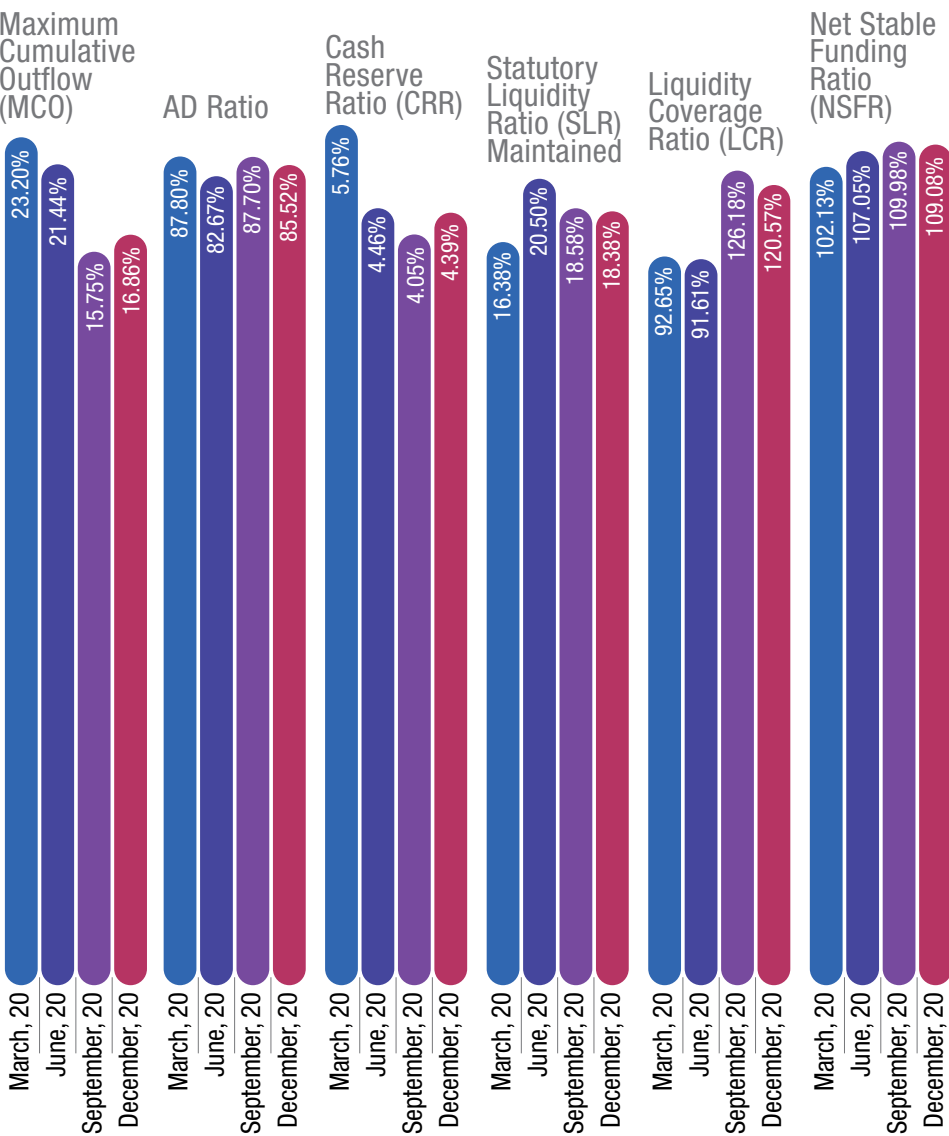
- i) Funding liquidity: This relates to the risk that the bank will be unable to meet current and/or future cash flow or collateral requirements in the normal course of business, without adversely affecting its financial position or its reputation.
- ii) Market liquidity: It's relates to the risk that the bank may be unable to trade in specific markets or that it may only be able to do so with difficulty due to market disruptions or a lack of market liquidity.

Sources of liquidity risk include:

- i) Unforeseen withdrawals of deposits.
- ii) Restricted access to new funding with appropriate maturity and interest rate characteristics.
- iii) Inability to liquidate a marketable asset in a timely manner with minimal risk of capital loss.
- iv) Unpredicted customer non-payment of loan obligations.
- v) A sudden increased demand for loans in the absence of corresponding funding inflows of appropriate maturity.

We measure liquidity risk by quantifying and calculating various liquidity risk metrics and ratios to assess potential risks to the liquidity position. Metrics and ratios include:

- i) Our regulatory requirements.
- ii) 'Business as usual' normal environment where we apply rollover and reinvestment assumptions under benign market conditions.
- iii) Stress conditions based on statistical historical analysis, documented experience and prudent judgment.
- iv) Basel standards for liquidity measurement:
 - Liquidity Coverage Ratio (LCR)
 - Net Stable Funding Ratio (NSFR)
- v) Other key funding and balance sheet ratios.
- vi) Monitoring and analyzing market trends and the external environment.



Internal Control & Compliance Risk Management:

Internal controls are put in place to keep the bank on course toward profitability goals and achievement of its mission and to minimize loopholes along the way. Internal controls promote efficiency, reduce risk of asset loss, and help ensure the reliability of financial statements and compliance with laws and regulations.

The primary objective of internal control system is to help the Bank perform in a sound and prudent manner with the available resources. The main objectives of the internal control process are categorized as under:

- ◆ Performance Objective: It relates to the effectiveness and efficiency of the Bank in using its assets and other resources and protecting the Bank from loss.
- ◆ Information Objective: It addresses the preparation of timely, reliable, relevant reports needed for decision - making and other financial related disclosures.
- ◆ Compliance Objective: It demonstrates that all banking activities are performed in compliance with applicable rules and regulations of the regulatory body and the bank's own policy, plan and procedures.



Internal Control & Compliance process of NRB Bank:

- ◆ Departmental Control Function Check List (DCFCL), at the frequencies, i.e., daily, weekly, monthly, quarterly;
- ◆ Loan Documentation check List
- ◆ Quarterly Operation report (QOR) is needed to be prepared, maintained and reviewed.

Function of Audit & Inspection Department:

- a. The Audit team of Audit & Inspection department will perform periodic and spot/ special audit.
- b. Each year the department will set out an audit plan for the year to be approved by the Managing Director.

- c. This will be risk based plan where sensitive areas will be provided with priority.
- d. The deficiencies identified during the audit should be notified to the branch and significant audit findings should be reported to the Managing Director.
- e. At the end of the year, the Audit & Inspection department will prepare a summary report on the audit findings and corrective actions taken their against, which should be forwarded to the Audit Committee of the Board of Directors and Managing Director & CEO of our Bank.

Function of Compliance Department:

- ◆ The Compliance Department is responsible to ensure that bank complies with all regulatory requirements, while performing its business;
- ◆ Compliance Department will incorporate regulatory requirements in the work process to ensure full compliance;
- ◆ They will contact regulatory authorities for proper clarification on a particular issue and notify the concerned departments accordingly;
- ◆ They will ensure taking timely corrective measures as soon as the inspection report is received and must ensure that serious lapses identified by the regulatory authority are brought to notice of the Audit Committee of the Board along with the Senior Management of the Branch.
- ◆ Compliance department will also arrange appropriate training for employees so that employees are aware of the regulations that are necessary to accomplish their job.

Function of Monitoring Department:

- ◆ Monitoring Department will identify the documentation lapses of different branches by reviewing LDCL (Loan documentation Check List);
- ◆ They will identify operational lapses/ anomalies of different branches by reviewing QOR (Quarterly Operation Report);
- ◆ They will prepare LDCL review report on quarterly basis & sent to the Managing Director;

- ◆ They will comply with all Self Assessment of Anti Fraud Internal Controls (SAAFIC) reports received from different branches and send the review report to Bangladesh Bank;
 - ◆ Monitoring department also perform spot inspection/audit on Anti Fraud Internal Control of different branches and prepared audit report & send to the respective branches for compliance;
 - ◆ To carry out inspection routinely on surprise dates to sample check on the items in DCFCL (Departmental Control Function Check List) in Branches.
 - ◆ To play role in reporting of ISS to BB ISS Web Portal & preserve the same;
 - ◆ To prepare the Health Report of the Bank on quarterly basis and send it to the Audit Committee;
- To comply with the directives of Bangladesh Bank a special meeting of the Board of Directors was held on 23rd August, 2015 to review the compliance/implementation status on the observations of Bangladesh Bank's comprehensive inspection report, where the representatives of Bangladesh Bank were also present.

In 2020 internal Audit under IC&C Division conducted following no. of Audits:

Summary	No. of Audit
Risk Based Audit on branches	38
Comprehensive Audit at Head Office	17
Surprise cash audit	08
IT Audit - Department	04
IT audit - Branch	19
Spot Inspection on Money Laundering	08
Inspection on Agent Outlet	03

ICT Security Risk Management:

As banks adopt technology as part of their ongoing strategic tool to face challenges in the emerging realities of business, they are increasingly exposed to technology risks. The risk has been increased in the cyber zone for the introduction of Internet Banking and increasing of E-commerce transaction across the world.

It is therefore imperative for each bank to work out appropriate IT risk management strategic to secure its most vital information assets and ensure that related risk management systems and processes are strengthened on continual basis to secure both present and future banking activities.

NRB Bank Limited, with the approval of the Board, has adopted an ICT policy in compliance with ICT security guidelines of Bangladesh Bank covering various aspect of ICT risk management. ICT Risk Management is emerging separate practice because of the unique role that IT plays in today's organizations.

NRB Bank Limited follows a robust, effective and efficient Information Technology with its Centralized Core Banking System, Mobile Banking application, In-House developed systems and other applications. Moreover Software team is working to minimize each risk element without hampering daily operational activities. The implantation of each new patch is scrutinized through a precise testing and debugging method with own in-house team.

NRB Bank has taken necessary following stages to implement the process of ICT Security risk assessment:

- a) Adopt a lifecycle approach;
- b) Evaluate and analyze the risks;
- c) Identify informational assets and their values;

- d) Identify threats and vulnerabilities to information security;
- e) Plan the means and methods to minimize information risks;
- f) Establish multi-layered boundary defenses with help of R&D team to deploy a security wall between the untrusted external network and the trusted internal network;
- g) Plan for a proper disaster management related to IT services;
- h) Establish an IT governance framework inside the bank;
- i) Control measures implantation;
- j) IT risks monitoring and control;
- k) Build a risk- aware culture and develop skills of manpower ;
- l) Managing IT risk using the effective, efficient and right tools;

IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk. Moreover, IT Risk Management enables the management to initiate effective management decision to ensure smooth the business operations.

Money Laundering Risk Management:

NRBBL is strongly committed to preventing the use of the Bank's products and services for Money Laundering and Terrorist Financing purposes and to preventing violations of Sanctions Regulations. In 2020, NRB has stepped up its efforts in this area and we will continue this work in 2021. Activities are being undertaken across the Bank to ensure that we meet all regulatory standards and that we achieve broad oversight on and consistency in our approach. This includes an upgrade of our transaction monitoring capabilities throughout the entire network. The bank has a designated Chief Anti Money Laundering Compliance Officer (CAMLCO) at Head Office and Branch Anti Money Laundering Compliance Officers (BAMLCO) at branches who independently review the transactions of the accounts to verify suspicious transactions. Last year, the Bank updated and reviewed its guidelines on Anti Money Laundering and Combating financing of terrorism which received enormous appreciation from the regulatory bodies for the quality of its contents. The convergence of several remarkable changes in the world markets propelled Money Laundering to become a worldwide problem.

NRB considers Money Laundering and Terrorist Financing Risk not only a compliance requirement of the regulatory bodies but also as one of its core business values. The Board of Directors and the Management are firmly committed to combat Money Laundering activities.

SL	Money Laundering Awareness Program	Number of Program (From 1 st January,20 - 31 st December,20)
1	Board of Directors	01
2	Executive	01
3	Officers	09

Environmental & Social Risk Management:

NRB Bank is always vigilant to manage Environmental and climate change risks that may arise from the uncertainty or probability of losses that originates from any adverse environmental or climate change events (natural or manmade) and/or the non- compliance of the prevailing national environmental regulations. This is a facilitating element of credit risk arising from environmental issues. These can be due to environmental impacts caused by and / or due to the prevailing environmental conditions. Environmental and climate change risk can hamper the business stability of the borrowers in respect of both i) profitability and ii) reputation. Consequentially, the extent of risk for the banks will be higher. Sector Environmental Due Diligence (EDD) Check List specified in Guidelines on Environmental Risk Management (ERM) issued vide BRPD Circular No. 01/2011 dated 30/01/2011 is used to determine this risk. For the loans under the sectors specified in the guidelines and which will have EnvRR of 'High (H)' was considered for the capital charge against this risk.

Outstanding in this Project is as below as on December, 2020:

	(BDT Million)
Green Projects/Products	Loan Outstanding
Biological ETP	96.76
Green Bricks Plant	169.97
Leed Certified Green Estab.	303.86
Green Estab.	350.60
Pet Bottle Recycling Plant	827.77
Recyclable Poly Baggage	103.48
Used lead acid battery recycling plant	997.33
Solar Panel	91.48
Total	2941.26

Supervisory Review Process (SRP)

Supervisory Review Process, the Second Pillar of Basel-III of Risk Based Capital Adequacy Framework, is intended not only to ensure that banks have adequate capital to support all the risks in their business, but also to encourage banks to develop and use better risk management techniques in monitoring and managing their risks. The key principle of the Supervisory Review Process (SRP) enjoins that banks should have a process for assessing overall capital adequacy in relation to their risk profile and a strategy for maintaining their capital at an adequate level. The main aspects of a rigorous SRP are as follows:

- ◆ Board and senior management oversight,
- ◆ Sound capital assessment,
- ◆ Comprehensive assessment of risks,
- ◆ Monitoring and reporting and
- ◆ Internal control review.



Besides the Credit Risk, Market Risk and Operational Risk under Pillar-I bank has to assess additional capital under Pillar-II Supervisory Review Process for the following risk areas:

SL. No.	Name	Type
1	Residual Risk	◆ Error in documentation ◆ Error in valuation of collateral
2	Concentration Risk	◆ Credit Concentration Risk ◆ Market Concentration Risk
3	Liquidity Risk	◆ Cash Reserve Requirement (CRR): ◆ Statutory Liquidity Ratio (SLR), ◆ Medium Term Funding Ratio (MTFR), ◆ Maximum Cumulative Outflow (MCO), ◆ Advance Deposit Ratio (ADR) ◆ Liquidity Coverage Ratio (LCR), ◆ Net Stable Funding Ratio (NSFR).
4	Reputation Risk	◆ Credit Rating conducted by ECAs ◆ Internal Fraud ◆ External Fraud ◆ Non-Payment or Delayed payment of accepted bills
5	Strategic Risk	◆ CAMELS rating ◆ Operating expenses ◆ Classified loans ratio ◆ Recovery of classified loan ◆ Written-off loans ◆ Interest waiver ◆ Cost of fund
6	Settlement Risk	◆ Issues of foreign trade settlement ◆ All types of receivables that have not been realized or have been realized lately
7	Evaluation of Core Risk Management	◆ Ratings of Core Risks implementation
8	Environmental & Climate change Risk	◆ Damage of assets due to adverse change of environment
9	Other Material Risk	◆ Other risks that may jeopardize bank's assets or income

Stress Testing:

Stress testing examines the sensitivity of Bank's Capital for Regulatory capital as well as Economic capital under a number of scenarios and ensures that emerging risks stemming into its portfolio are appropriately accounted. It is an important risk management technique that is used to evaluate the potential effects on bank's financial condition of a specific event and/ or movement in a set of financial variables.

Stress testing framework is being used to assess absorbing capacity of the Bank, considering its impact on bank's capital adequacy by using minor, moderate and major level of shock. The findings of stress testing are reviewed by the Risk Management Committee (RMC) in its periodic meetings. The results of the stress testing are reported to the Board of Directors of the bank for their guidance against the particular risk areas. Stress testing is carried on quarterly basis and reported to Bangladesh Bank within the stipulated time.

Combined Stress Testing Result of NRB Bank as on 31st December, 2020:

Combined Shock	Minor Shock		Moderate Shock		Major Shock	
	Changes in CRAR	CRAR after Shock (%)	Changes in CRAR	CRAR after Shock (%)	Changes in CRAR	CRAR after Shock (%)
	-3.18	13.65	-9.29	7.54	-16.12	-0.71

The Management and Board of the Bank feel and believe that, with the growth of its business, strengthening its oversight and building a strong risk management structure is a priority. NRB Bank is well aware that its business also carries certain risk elements. Therefore, it has set its risk management policies in terms of risk appetite statement and introduced effective risk assessment procedures, monitoring and oversight in a very methodical and conscious manner in order to control the internal and external risks at an optimum level. It has been able to establish an inherent culture of continuous and gradual improvement. On a final note, we would like to reaffirm our stakeholders that the Bank has always been committed to remaining fully complied and maintaining transparency in risk mitigation so that the Bank can build its business on the concrete foundation of "sustainability".



Chief Risk Officer (Acting)

Disclosures on Risk Based Capital (Basel III)

Risk is an integral part of banking business in an ever dynamic environment, which is undergoing radical changes both on the technology front and product offerings. The main risks faced by the bank are credit risk, market risk and operational risk. NRB Bank aims to achieve an optimum balance between risk and return to maximize shareholder value. The relevant information on the various categories of risks faced by the bank is given in the ensuing sections. As per pillar-III under Basel-III, this disclosure is intended to give market participants a better idea on the risk profile and risk management practices of NRB Bank Limited.

To cope up with the international best practices and to make the bank's risk absorbent capital 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with Basel II) was introduced from January 01, 2009 as a parallel run with BRPD Circular No. 10, dated November 25, 2002 (Basel I). At the end of parallel run, Basel II regime started from January 01, 2010 and the guidelines on RBCA came fully into force with its subsequent supplements/revisions. After that, Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised Regulatory Capital Framework in line with Basel III) vide its BRPD Circular 18 dated December 21, 2014 that Basel III reporting started from January 2015 and full implementation started from January 2020. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital Requirement and Disclosure requirement as stated in the guidelines had to be followed by all scheduled banks for the purpose of statutory compliance.

Implementation of Basel III:

Basel III refers to the latest capital and liquidity standards prescribed by the Bank for International Settlements (BIS). Bangladesh entered into the Basel III regime effective from January 01, 2015. Bangladesh Bank (BB) amended its capital standard which was based on Basel II and circulated new regulatory capital and liquidity guidelines in line with Basel III of BIS. This new capital and liquidity standards has great implications for banks. The guidelines provide a transition schedule for Basel III implementation up to 2019. From 2020, In line with full implementation, minimum capital to risk weighted assets ratio (CRAR) was set at 12.50% with minimum Tier-1 Capital ratio at 6.00%.

The Basel III framework consists of three-mutually reinforcing pillars:

- **Pillar 1** covers the calculation of risk weighted assets and minimum capital requirement for credit risk, market risk and operational risk
- **Pillar 2** (Supervisory Review Process) intends to ensure that the Banks have adequate capital to address all the risks in their business
- **Pillar 3** speaks of ensuring market discipline by disclosing adequate information to the stakeholders

Limits (Minima and Maxima) under Basel III:

SL	Particulars	2020 Required	NRB Bank Ltd. (December, 2020)
1	Common Equity Tier 1	4.5%	14.62%
2	Minimum T-1 Capital Ratio	6%	14.62%



3	Minimum Capital to Risk Weighted Asset Ratio	10%	16.07%
4	Tier 2 Capital to Risk Weighted Asset Ratio	Maximum up to 4.0% of the total RWA or 88.89% of CET1, whichever is higher	1.45%
5	Minimum Total Capital plus Capital Conservation Buffer	12.50%	16.07%
6	Leverage Ratio	≥ 3%	9.23%
7	Liquidity Coverage Ratio	≥ 100%	120.57%
8	Net Stable Funding Ratio	> 100%	109.08%

Components of Disclosure:

Disclosure is organized as per Bangladesh Bank requirement in the following components:

1. Scope of Application
2. Capital Structure
3. Capital Adequacy
4. Credit Risk
5. Equities: Disclosures for Banking Book Positions
6. Interest Rate Risk in the Banking Book
7. Market Risk
8. Operational Risk
9. Leverage Ratio
10. Liquidity Ratio
11. Remuneration

a) Scope of application:

Qualitative Disclosures	
a) The name of the top corporate entity in the group to which this guidelines applies	NRB Bank Limited
b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted).	NRB Bank Limited NRB Bank Limited was formally inaugurated on 4th August, 2013 as a Public Limited Company (Banking Company) under the Companies Act 1994 for carrying out all kinds of banking activities. Presently the Bank is operating its business through Corporate Head Office having following no. of branches, agent banking and other facilities all over Bangladesh- No. of Branches: 46 No. of Agent banking: 316 No. of ATM booths: 46 No. of DESCO Bill Collection Booths: 07
c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group.	Not applicable

Quantitative Disclosures

d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.	Not applicable
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b) Capital Structure:

Qualitative Disclosures

a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2.	As per Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for Banks in line with Basel III) introduced by Bangladesh Bank, 'Common Equity Tier-1 (CET 1)' Capital of NRBBL consists of (i) Paid-up Capital, (ii) Statutory Reserve and (iii) Retained Earnings. NRB Bank does not have 'Additional Tier 1 (AT 1)' Capital since it did not issue any instrument that meets the qualifying criteria for Additional Tier 1 Capital. Tier-2 Capital consists of (i) General Provision
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Compliance with Regulatory Requirements by NRB Bank:

Conditions for maintaining regulatory capital: The Bank complied with all the required conditions for maintaining regulatory capital as stipulated in the Basel III guidelines as per following details:

Particulars	Status of compliance
The bank has to maintain at least 4.50% of total Risk Weighted Assets (RWA) as Common Equity Tier 1 capital.	Complied
Tier 1 capital will be at least 6.00% of the total RWA.	Complied
Minimum capital to Risk Weighted Asset Ratio (CRAR) will be 12.50% of the total RWA.	Complied
Maximum limit of Tier-2 capital: Tier 2 capital can be maximum up to 4% of the total RWA or 88.89% of CET-1, whichever is higher.	Complied

Quantitative Disclosures

b) The amount of Regulatory capital of NRB Bank Limited under Basel-III for 31st December, 2020 is as follows:

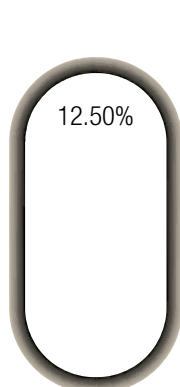
1. Common Equity Tier-1 (Going Concern Capital)	Solo
	Amount in Million
Fully Paid-up Capital/Capital Deposited with BB	4,665.60
Statutory Reserve	660.51
Retained Earnings	470.95
Less: Regulatory Adjustment for Tier-1 Capital	328.22
Total Common Equity Tier-1 Capital	5,468.84
2. Tier-2 Capital (Gone-Concern Capital)	
General Provision	544.33
Total Admissible Tier-2 Capital	544.33
Total Regulatory Capital	6013.17



c) Capital Adequacy:

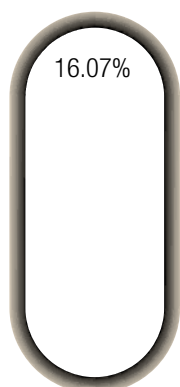
Qualitative Disclosures	
a) A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	In terms of BB Guidelines, NRB Bank has been assessing Risk Based Capital Adequacy under Basel-III from 01 January 2015. Under Basel- III framework the capital requirement is determined for Credit Risk and Market Risk under Standardized Approach and Operational Risk under Basic Indicator Approach and summed-up Weighted Assets and thereafter the Minimum Capital Requirement to determine total risk (MCR). The Bank assesses the capital requirement considering the existing size of portfolio, concentration of portfolio to different risk weight groups, asset quality, profit trend etc. on quarterly basis. The Bank also forecasts the adequacy of capital in terms of its capacity of internal capital generation, maintaining the size of the portfolio, asset quality, conducting credit rating of the borrowers, segregation of portfolio to different risk weight groups etc. The Bank has a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by Bangladesh Bank. The ICAAP also details the Risk Appetite of the Bank, assessment of material risks, the process for capital adequacy assessment to support business projections, adequacy of risk control framework, capital raising plans and Bank-wide stress testing. The periodic assessment of bank's performance against the Risk Appetite defined under ICAAP and results of stress testing are reported to the Board of Directors for their review. CRAR has been computed based on the Basel III guidelines and it is well above the regulatory minimum level of 12.50%. Risk Management Division (RMD) under guidance of the SRP team/ERMC (Executive Risk Management Committee), is taking active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to.
Quantitative Disclosures	
Capital requirement under following Risk:	Amount in Million
b) Capital requirement for Credit Risk	3,181.76
c) Capital requirement for Market Risk	185.30
d) Capital requirement for Operational Risk	374.01
Total Capital Requirement (b+c+d)	3,741.08
Minimum Capital Requirement (MCR) Capital Adequacy Ratio (CRAR):	
1. Common Equity Tier 1 (CET 1) Ratio	14.62%
2. Tier 1 Capital Adequacy Ratio	14.62%
3. Tier-2 Capital Adequacy Ratio	1.45%
Capital to Risk-weighted Asset Ratio (CRAR)	16.07%
Capital Conservation Buffer (2.50%)	6.07%
Minimum Capital Requirement (MCR)	4,000.00

SOLO

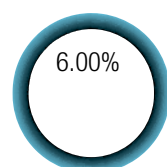
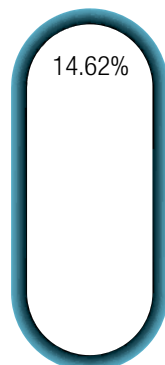


Required CRAR

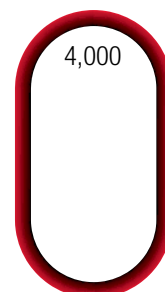
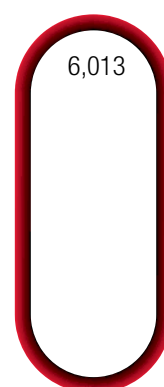
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Maintained CRAR

Required Minimum
T-1 Capital RatioMaintained Minimum
T-1 Capital Ratio

SOLO

Minimum Capital
RequirementTotal Eligible
Capital

Capital Adequacy to Risk Weighted Asset Ratio (CRAR):

d) Credit Risk:

Qualitative Disclosures	a) The general qualitative disclosure requirement with respect to credit risk:	
i) Definitions of past due and impaired	As per relevant Bangladesh Bank guidelines, the bank defines the past due and impaired loans and advances for strengthening the credit discipline and mitigating the credit risk of the Bank. The impaired loans and advances are defined on the basis of (i) Objective/ Quantitative Criteria and (ii) Qualitative judgment. For this purpose, all loans and advances are grouped into four (4) categories, namely- (a) Continuous Loan (b) Demand Loan (c) Fixed Term Loan and (d) Short-term Agricultural & Micro Credit. Definition of past due/overdue:	
Categories	Definition of past due	When started
Continuous Loan	If not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue.	From the following day of the expiry date.
Demand Loan	If not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue	As above
Fixed Term Loan	In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue.	As above
Short-term Agricultural and Micro-Credit	If not repaid within the fixed expiry date for repayment will be considered past due/overdue.	After 6 months of the expiry date.

Definition of impaired / classified /non-performing loans and advances are as follows:

Loans Classification			
Type of facility	Substandard	Doubtful	Bad & Loss
Continuous Loan & Demand Loan	3 months or more but less than 9 months	9 months or more but less than 12 months	12 months or more
Fixed Term Loan*	3 months or more but less than 9 months	9 months or more but less than 12 months	12 months or more
Short Term Agricultural & Micro Credit	12 months or more but less than 36 months	36 months or more but less than 60 months	60 months or more

Substandard Loan:

A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 03 (three) months or beyond but less than 09 (nine) months, the entire loan will be put into the “Sub-standard (SS)”.

Doubtful Loan:

A Continuous Loan, Demand Loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 09 (nine) months or beyond but less than 12 (twelve) months, the entire loan will be put into the “Doubtful (DF)”.

Bad/Loss Loan:

A Continuous loan, Demand loan, Fixed Term Loan or any installment(s)/part of installment(s) of a Fixed Term Loan which will remain past due/overdue for a period of 12 (twelve) months or beyond, the entire loan will be put into the “Bad/Loss (B/L)”.

In case of any installment (s) or part of installment (s) of a Fixed Term Loan amounting up-to Taka 10 lacs is not repaid within the due date, the classification is as under:

Substandard: If the amount of past due installment is equal to or more than the amount of installment (s) due within 6 (six) months, the entire loan will be classified as ‘Sub- standard’;

Doubtful: If the amount of past due installment is equal to or more than the amount of installment (s) due within 9 (nine) months, the entire loan will be classified as ‘Doubtful’;

Bad/Loss: If the amount of past due installment is equal to or more than the amount of installment (s) due within 12 (twelve) months, the entire loan will be classified as ‘Bad/Loss’.

Short-term Agricultural and Micro-Credit is classified as follows:

The Short-term Agricultural and Micro-Credit will be considered irregular if not repaid within the due date as stipulated in the loan agreement. If the said irregular status continues, the credit will be classified as ‘Substandard’ after a period of 12 months, as ‘Doubtful’ after a period of 36 months and as ‘Bad/Loss’ after a period of 60 months from the stipulated due date as per the loan agreement.

ii) Description of approaches followed for specific and general allowances and statistical methods	Loan Type	Rates of Provision				
		Un- Classified		Classified		
		Standard	SMA	SS	DF	BL
	House Building and loans for Professionals	2%	2%	20%	50%	100%
	Other than house building and professionals	2%	5%	20%	50%	100%
	Loans to BHs/MBs against share	2%	2%	20%	50%	100%
	Small & Medium Enterprise	0.25%	0.25%	20%	50%	100%
	Short term Agri /Micro Credit	2.5%	-	5%	5%	100%
iii) Discussion of the Bank's Credit risk management policy.	All Others	1%	1%	20%	50%	100%
	Off Balance Sheet	1%	-	-	-	-
	The Bank has put in place a well-structured Credit Risk Management Policy duly approved by the Bank's Board of Directors. The Policy document defines organization structure, role & responsibilities and the processes whereby the Credit Risks carried out by the Bank can be identified, quantified & managed within the framework that the Bank considers consistent with its mandate and risk tolerance. Credit Risk is monitored on a bank-wide basis and compliance with the risk limits approved by Board/Risk Management Committee of Board. NRB Bank has taken earnest steps to put in place best credit risk management practices in the bank. Besides, the bank has framed a policy on Valuation Methodology with the approval by the Board. According to the methodology, eligible securities normally accepted by the Bank are taken to protect the interest. These securities act as mitigation against the credit risk to which the bank is exposed.					

Quantitative Disclosures:

b) Total gross credit risk exposures broken down by major types of credit exposure:

(Amount in Million)

Major Types	Continuous Loan	Demand Loan	Fixed Term Loan	Short Term Agri. Credit & Micro Credit	Staff Loan	Total
Small & Medium Enterprise Financing	2,466.41	5,840.79	5,130.07	-	-	13,437.28
Consumer Financing	1,923.31	-	1,320.81	-	-	3,244.12
Loans to BHs/MBs/Sds against Share	-	-	-	-	-	-
Housing Finance	-	-	623.62	-	-	623.62
Loan for Professionals to setup business (LP)	-	-	-	-	-	-
Short Term Agri. Credit	-	-	-	481.16	-	481.16
Others	4,470.15	9,617.71	6,700.52	-	-	20,788.38
Staff Loan	-	-	-	-	274.01	274.01
Total exposure	8,859.87	15,458.51	13,775.02	481.16	274.01	38,848.57



c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure of NRBBL:

(Amount in Million)

Geographical Distribution	Amount	Grand Exposure
Urban		
Dhaka	25,846.43	36,208.44
Chittagong	6,212.75	
Sylhet	1,109.21	
Rajshahi	1,041.39	
Barishal	-	
Khulna	1,459.36	
Rangpur	-	
Mymensingh	539.31	
Rural		
Dhaka	2,245.88	2,640.13
Chittagong	279.94	
Sylhet	114.31	
Rajshahi		
Barishal		
Khulna		
Rangpur		
Mymensingh		
Total		38,848.57

d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure of NRBBL:

(Amount in Million)

Industry Type	Amount
Agriculture	481.16
Food & allied industries	1,338.99
Tobacco	-
Readymade garments	2,006.10
Textiles	2,232.79
Ship breaking & ship building	813.63
Basic metal & steel engineering	858.08
Non-metallic mineral products	837.69
Pharmaceuticals industry	179.27
Chemical & chemical products	48.28
Rubber & plastic industries	720.66
Leather & leather products	645.08
Wood, furniture & fixtures	212.38
Paper & paper products	177.87
Electronic goods & machineries	1,965.91

Power & gas	1,192.32
Other manufacturing industries	2,592.68
Construction & commercial real estate	6,238.52
Transport & communication	119.98
IT & telecommunication	948.11
Medical services	14.89
Hotel & restaurant services	0.41
Printing & publishing industries	44.26
Other service industries	1,128.13
NBFIs	567.54
Trade & commerce	6,137.53
Consumer credit	3,202.65
Credit card	1,923.31
Staff loan	274.01
Others	1,946.38
Total	38,848.57

e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure of NRBBL

Time band	Continuous Loan	Demand Loan	Term Loan	Agricultural Credit	Staff Loan	Total
Up to 1 month	2,850.28	7,415.04	430.65	237.07	0.08	10,933.12
1 to 3 months	1,106.18	1,613.53	46.11	12.52	0.12	2,778.46
3 to 6 months	689.35	3,473.38	171.55	231.56	0.51	4,566.35
6 to 12 months	2,385.80	2,000.82	1,522.49	-	1.97	5,911.09
1 to 2 years	386.95	649.39	2,232.84	-	5.63	3,274.80
2 to 3 years	544.73	-	1,801.35	-	26.91	2,372.99
3 to 4 years	486.09	52.07	2,385.56	-	27.15	2,950.87
4 to 5 years	410.50	-	2,381.03	-	55.37	2,846.90
5 to 7 years	-	254.28	1,930.72	-	30.09	2,215.08
7 to 10 years	-	-	545.53	-	52.40	597.93
Over 10 years	-	-	327.19	-	73.78	400.98
Total	8,859.87	15,458.51	13,775.02	481.16	274.01	38,848.57

f) By major industry or counterparty type of NRBBL:

- Amount of impaired loans and if available, past due loans, provided separately:

(Amount in Million)

Industry	Impaired	Past due
Small & Medium Enterprise Financing	874.63	867.83
Consumer Financing	148.10	93.47
Housing Finance	1.86	0.24



Loans for Professionals to setup business	-	-
Loans to BHs/MBs/SDs against Shares etc.	-	-
Other Corporate Credit	418.44	530.78
Short Term Agri Credit & Micro Credit	-	0.32
Staff Loan	-	-
Total	1,443.02	1,492.64

◆ **Specific and general provision (Required)**

Sector	(Amount in Million)	
	General Provision	Specific Provision
Small & Medium Enterprise Financing	82.89	542.23
Consumer Financing	69.68	85.51
Housing Finance	9.91	0.06
Loans for Professionals to setup business	-	-
Loans to BHs/MBs/SDs against Shares etc.	-	-
Other Corporate Credit	274.46	192.74
Short Term Agri Credit & Micro Credit	4.81	-
Against Off-Balance Sheet	102.57	-
Grand Total	544.33	820.54

◆ **Charges For Specific Allowances And Charge-Offs During the Period.**

Against Classified Loans & Advances	Amount in Million
Provision held on 1 January , 2020	1,109.51
(-) Fully provided debts written off	-
(-)Recoveries from previously written off debts	-
(+)Provisions made during the year	(288.97)
Provision held at end of year	820.54

Against Unclassified Loans & Advances	Amount in Million
Provision held on 1 January, 2020	348.05
Add: Provisions made during the year:	
On General Loans and Advances	(32.71)
On Special Mention Account (SMA)	(7.04)
Special general provision (COVID-19)	133.70
Less: Provision reversed due to loan settlement	(0.24)
Provision held at end of year	441.76

General Provision for Off Balance Sheet Exposures	Amount in Million
Provision held on 1 January , 2020	136.27
Provisions made during the year	(33.70)
Provision held at end of year	102.57

g) Gross Non-Performing Assets (NPAs) of NRBBL:

(Amount in Million)

Gross Non-Performing Assets (NPAs)	
Non-Performing Assets (NPAs) to outstanding loans & advances	
Movement of Non-Performing Assets for NPAs	
Opening balance	1,611.03
Additions	333.49
Reductions	501.49
Closing Balance	1,443.02
Movements of specific provisions for NPAs	
Opening balance	1,109.51
Provision made during the period	(288.97)
Write-off	-
Write back of excess provisions	-
Closing Balance	820.54

e) Equities: Disclosures for Banking Book Position

Qualitative Disclosures:	The general qualitative disclosure requirement with respect to equity risk, including:	
Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	Investment of NRB Bank in equities is divided into two categories: quoted equities (which are traded in the secondary market) and unquoted equities (which are not traded in the secondary market such as Subordinated Bond, Commercial Paper etc). Since the intent of holding unquoted equities is not trading, the same are considered as banking book equity exposure.	
Discussion of important policies covering the valuation and accounting of equity holdings in the banking book, This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices	Important policies covering equities valuation and accounting of equity holdings in the Banking Book are based on the use of the cost price method for valuation of equities. The primary aim is to invest in these equity securities for the purpose of capital gain by selling them in the future or held for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained if the prices fall below the cost price. As per to Bangladesh Bank guidelines, the HFT equity securities are revalued once in each week using marking to market concept and HTM equity securities are amortized once a year according to Bangladesh Bank guideline. The HTM equity securities are also revalued if any, are reclassified to HFT category with the approval of the Board of Directors. Preference is given to purchase of shares of strong companies at face value through placement/ IPO.	
Quantitative Disclosure		
Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	Value of Investments in Balance Sheet	
	Amount in Million	
	Shares in Listed Companies (Valuation at average cost price)	738.36
	Fair Market Value of shares in Listed Securities	655.05



◆ The cumulative realized gains (losses) arising from sales and liquidations in the reporting period.	82.71																
* Total unrealized gains (losses)	(83.31)																
* Total latent revaluation gains (losses)	0																
* Any amounts of the above included in Tier – 2 capital.	0																
◆ Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.	The capital requirements for equity investments as of 31st December 2020 was as under: (Amount in Million) <table><tr><th>Particulars</th><th>Amount (MV)</th><th>Weight</th><th>Capital Charge</th></tr><tr><td>Specific Risk</td><td>654.98</td><td>10%</td><td>65.50</td></tr><tr><td>General Market Risk</td><td>654.98</td><td>10%</td><td>65.50</td></tr><tr><td>Total</td><td>1,309.96</td><td></td><td>131.00</td></tr></table>	Particulars	Amount (MV)	Weight	Capital Charge	Specific Risk	654.98	10%	65.50	General Market Risk	654.98	10%	65.50	Total	1,309.96		131.00
Particulars	Amount (MV)	Weight	Capital Charge														
Specific Risk	654.98	10%	65.50														
General Market Risk	654.98	10%	65.50														
Total	1,309.96		131.00														

f) Interest rate risk in the banking book (IRRBB):

Qualitative Disclosures:

(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.

Asset Liability Management Committee (ALCO) has the overall responsibility of managing the interest rate risk in the banking book of the Bank. ALCO fixes the deposit and lending rates of the Bank and directs the investment activities of the Bank in line with its interest rate view. Limits are fixed from both Earnings and Economic Value Perspective and adherence monitored on a monthly basis.

The Bank follows following viewpoints to manage the IRR:

- Earnings perspective: Indicates the impact on Bank's Net Interest Income (NII) in the short term.
- Economic perspective: Indicates the impact on the net- worth of bank due to re-pricing of assets, liabilities and off-balance sheet items.

Risk measurement and reporting framework:

- Interest Rate Sensitivity Report:** Measures mismatches between rate sensitive assets and rate sensitive liabilities in various tenor buckets based on re-pricing or maturity, as applicable.
- Duration Gap Analysis:** A weighted maturity/repricing schedule is used to evaluate the effects of changing interest rates on bank's economic value by applying sensitivity weights to each time band. Such weights are based on estimates of the duration of the assets and liabilities that fall into each time band.
- Stress Testing:** This analysis is used for measuring the Interest rate risk on its Balance Sheet exposure for estimating the impact on the Capital to Risk Weighted Assets Ratio (CRAR).

Quantitative Disclosures:

(b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency.

(Amount in Million)

Interest Rate Risk in the banking book	Residual maturity bucket			
	3 months	6 months	1 year	Above 1 year
Interest Sensitive Assets (A)	15,687.02	4,550.14	5,894.46	14,496.61
Interest Sensitive Liabilities (B)	13,659.68	7,349.20	10,700.92	10,700.31
GAP (A-B)	2,027.34	(27,99.06)	(4,806.46)	3,796.30
Cumulative GAP	2,027.34	(771.72)	(5,578.18)	(1,781.88)

CRAR after Shock:

(Amount in Million)

Magnitude of Shock	Minor 1%	Moderate 2%	Major 3%
Regulatory Capital (After shock)	6,050.40	5,802.80	5,555.20
RWA (After shock)	36,878.90	36,878.90	36,878.90
CRAR (After shock)	16.41%	15.73%	15.06%
Total Assets	55,088.40	55,088.40	55,088.40
Duration Gap in years	0.48	0.48	0.48
Changes in Market value of Equity due to an increase in interest Rate, Δ MVE	247.60	495.20	742.81

g) Market Risk:

Qualitative Disclosures:

Views of BOD on trading/ investment activities	The Board approves all policies related to market risk, set limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance assets growth and trade related transactions. The market risk covers the followings risks of the Bank's balance sheet: i) Interest rate risk; ii) Equity price risk; iii) Foreign exchange risk; and iv) Commodity price risk.
Methods used to measure Market risk	Standardized approach has been used to quantify the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. The methodology to calculate capital requirement under Standardized Approach for each of these market risk categories is as follows: a) Capital charges for interest rate risk= Capital Charge for General Market Risk b) Capital charges for Equity Position Risk= Capital Charge for Specific Risk + Capital Charge for General Market Risk c) Capital charges for Foreign Exchange Risk= Capital Charge for General Market Risk d) Capital charges for Commodity Position Risk= Capital Charge for General Market Risk



Qualitative Disclosures:	
Market Risk Management System	To manage the interest rate risk, ALCO regularly monitors various ratios and parameters. Of the ratios, the key ratios that ALCO regularly monitors are Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and Maximum Cumulative Outflow (MCO), Liquid asset to total assets, Volatile liability dependency ratio and Short term borrowing to Liquid assets ratio. ALCO also regularly monitors the interest rate sensitive gap and duration gap of total portfolio. To manage foreign exchange risk of the bank, the bank has adopted the limit set by Bangladesh Bank to monitor foreign exchange open positions. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher. The Risk Management Division also reviews the market risk parameters on monthly basis and recommends on portfolio ratios for containing the RWA.
Policies and processes for mitigating market risk:	There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risks. The ALCO of the Bank meets on regular basis to review the prevailing market condition, exchange rate, foreign exchange position and transactions to mitigate foreign exchange risks.

Quantitative Disclosures:		
The Capital requirements for specified risk are as follows:		(Amount in Million)
SL	Market Risk	Capital Requirement
A	Interest Rate Related instruments	37.36
B	Equities	131.00
C	Foreign Exchange Position	16.95
D	Commodities	0
	Total	185.30

h) Operational Risk:

Qualitative Disclosures:	
i. Views of BoD on system to reduce Operational Risk	Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people or systems or from external events. It includes legal risk but excludes strategic and reputation risk. Operational risk is inherent in the Bank's business activities in day to day operations. As a part of continuous surveillance, the Senior Management Team (SMT) and Internal Control and Compliance Division, regularly reviews different aspects of operational risk. The analytical assessment was reported to the Board/ Risk Management Committee/Audit Committee of the Bank for review and formulating appropriate policies, tools & techniques for mitigating operational risk.
ii. Performance gap of executives and staffs	The bank believes that training and knowledge sharing is the best way to reduce knowledge gap. Therefore, it arranges trainings on a regular basis for its employees to develop their expertise. The bank offers competitive pay package to its employees based on performance and merit. It always tries to develop a culture where all employees can apply his/her talent and knowledge to work for the organization with high ethical standards in order to add more value to the company and for the economy.
iii. Potential external events	No potential external event is expected to expose the Bank to significant operational risk. The Bank has a separate Operational Risk Policies at different operational units addressing specific issues involving Operational Risk.

Qualitative Disclosures:

- iv. Policies and Processes for mitigating operational risk: Internal control mechanism is in place to control and minimize the operational risks. If any controls are found to be ineffective during the course of Risk & Control Self-Assessment, corrective measures are adopted in due course. A monitoring system is also in place for tracking the corrective actions plan periodically. The various Board approved policies viz., Risk Management Policy, CRM Policy, Internal Control & Compliance Policy, Policy on ML & FT, ICT Security Policy addresses issues pertaining to Operational Risk Management.

In 2020, Audit Department conducted following No. of audit:

Risk Based Audit on branches	38
Comprehensive Audit at Head Office	17
Surprise cash audit	08
IT Audit - Department	04
IT Audit - Branch	19
Spot Inspection on Money Laundering	08
Inspection on Agent Outlet	03

- v. Approach for calculating capital charge for operational risk: The Bank follows the Basic Indicator Approach (BIA) in terms of BRPD Circular No. 18 dated 21 December 2014 under Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). The BIA stipulates the capital charge for operational risk is a fixed percentage, denoted by α (alpha) of average positive annual gross income of the Bank over the past three years. It also states that if the annual gross income for any year is negative or zero, that should be excluded from both the numerator and denominator when calculating the average gross income. The capital charge for operational risk is enumerated by applying the following formula:

$$K = [(GI_1 + GI_2 + GI_3)\alpha]/n$$

Quantitative Disclosures:

b) The capital requirements for operational risk

(Amount in Million)

Particulars	RWA	Capital Requirement
Minimum Capital Requirement: Operation Risk	3740.14	374.01

i) Liquidity Ratio:

Qualitative Disclosures:

- i) Views of BoD on system to reduce liquidity Risk: NRB Bank has proficient Board of Directors that has always been giving utmost importance to minimizing the liquidity risk of the bank. In order to reduce liquidity risk strict maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Reserve (SLR) is also being emphasized on a regular basis. As per Basel-III requirement, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are also maintained under the guidance of our honorable Board of Directors.

The Board of Directors of the Bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management as per regulatory guidelines. The Asset Liability Management (ALM) Policy, the most important policy for Liquidity Risk Management is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign with changes in the economic landscape. The ALCO of the Bank formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the ALM Policy.



Qualitative Disclosures:

- ii) Methods used to measure Liquidity risk Liquidity measurement involves assessing all of a bank's cash inflows against its outflows to identify the potential for any net shortfalls including funding requirements for off balance sheet commitments.

An important aspect of measuring liquidity is making assumptions about future funding needs, both in the very short-term and for longer time periods. Another important factor is the critical role a bank's reputation plays in its ability to access funds readily and at reasonable terms. Several key liquidity risk indicators monitored on a regular basis to ensure healthy liquidity position are as follows:

Regulatory Liquidity Indicators (RLIs):

Cash Reserve Requirement (CRR)
Statutory Liquidity Ratio (SLR)
Medium Term Funding Ratio (MTFR)
Maximum Cumulative Outflow (MCO)
Advance Deposit Ratio (AD Ratio)
Liquidity Coverage Ratio (LCR)
Net Stable Funding Ratio (NSFR)

Bank's own liquidity monitoring tools:

Wholesale Borrowing and Funding Guidelines
Liquidity Contingency Plan
Management Action Triggers (MAT)
Liquid Asset to Total Deposit Ratio
Liquid Asset to Short Term Liabilities, etc.

Computation of Capital Charge against Liquidity Risk: If annual average of any RLIs of any bank falls below Bangladesh Bank's requirement the bank will be required to maintain additional capital for that RLI (or those RLIs) in SRP.

- iii) Liquidity Risk Management System The Asset Liability Management Committee (ALCO) of the Bank monitors & manages liquidity and interest rate risk in line with the business strategy. ALM activity including liquidity analysis & management is conducted through coordination between various ALCO support groups residing in the functional areas of balance sheet management, Treasury Front Office, Treasury Mid-Office, Finance & Accounts etc.

- iv) Policies and Processes for mitigating Liquidity risk An effective liquidity risk management process include systems to identify measure, monitor and control its liquidity exposures.

Bank's Asset Liability Management Committee (ALCO) monitors the liquidity risk on a regular basis. Based on the detail recommendation from ALM desk, ALCO take appropriate action to manage the liquidity risk. Also Bank has internal risk control framework which outlines clear and consistent policies and principles for liquidity risk management.

Quantitative Disclosures:**Amount in Million**

Liquidity Coverage Ratio	120.57%
Net Stable Funding Ratio (NSFR)	109.08%
Stock of High quality liquid assets	9186.78
Total net cash outflows over the next 30 calendar days	7,619.17
Available amount of stable funding	42,722.26

j) Leverage Ratio:

Qualitative Disclosures:	
i) Views of BoD on system to reduce excessive leverage	Banks are highly leveraged organizations which facilitate leverage for others. Leverage, in simple terms, it is the extent to which a bank funds its assets with borrowings rather than capital. More debt relative to capital means a higher level of leverage. Banks have a range of financial incentives to operate with high leverage. But it creates risk when it crosses a certain point. Therefore, the Board views that sound prudential controls are needed to ensure that the organization maintains a balance between its debt and equity. The Board also believes that the bank should maintain its leverage ratio on and above the regulatory requirements which will eventually increase the public confidence on the organization.
ii) Policies and processes for managing excessive on and off-balance sheet leverage	The Leverage Ratio is intended to achieve the following objectives: a) Constrain the build-up of leverage in the banking sector which could damage the broader financial system and the economy b) Reinforce the risk based requirements with any easy-to-understand and non-risk based measure. At the end December 2018, the minimum requirement for leverage ratio was 3% on both solo and consolidated bases. But a larger leverage ratio can decrease the profitability of banks because it means banks can do less profitable lending. However, increasing the leverage ratio means that banks have more capital reserves and can more easily survive a financial crisis. In view of the impact of leverage into the business, our Bank Management takes decision about future investment. Considering the financial strength, the bank also prepares capital planning and business budget to go on a right way.
iii) Approach for calculating exposure	The leverage ratio is a volume-based measure and is calculated as Basel III Tier I capital divided by total on and off-balance sheet exposures. A minimum Tier 1 leverage ratio of 3% is being prescribed both at solo and consolidated level. $\text{Leverage Ratio} = \frac{\text{Tier 1 Capital (after related deductions)}}{\text{Total Exposure (after related deductions)}}$
Quantitative Disclosures:	
	Amount in Million
Leverage Ratio	9.23%
On balance sheet exposure	5,4542.95
Off balance sheet exposure	5062.68
Regulatory Adjustments	(328.22)
Total exposure	59277.40

k) Remuneration:

NRB Bank is committed to ensure that its remuneration practices enable the Bank to attract, develop and retain high caliber individuals to deliver the Bank's objectives and drive business growth in a competitive environment. The performance based components of remuneration are designed to encourage behavior that supports the Bank's long-term financial soundness and the risk management frameworks of the Bank.

The qualitative remuneration disclosures are broader in scope and cover all the individuals included whereas the quantitative information relates to senior management and material risk takers of the NRB Bank Limited, for the financial year ended December 31, 2020.



Qualitative Disclosures

(a) Information relating to the bodies that oversee remuneration:

At the management level, primarily the Human Resources Management Division oversees the 'remuneration' in line with its Human Resources Management strategy/policy under direct supervision and guidance of the Top Management of the Bank.

The primary functions of the Remuneration Committee are to determine, review and propose principles and governance framework for all decisions relating to remunerations of the employees of NRB Bank. While the Human Resources Division is responsible for preparing and recommending reward plans and compensation, the committee's duties are to assess and review these recommendations and submit them to the Board of Directors for approval.

They also oversee performance oriented incentives, perquisites, other financial options etc. to attract, motivate and retain employees and review compensation packages/pay structure in comparison to that of other Banks to enjoy competitive advantages in this industry.

(b) Information relating to the design and structure of remuneration process:

The key features and objectives of remuneration policy:

- Appropriately compensate Employees for the services they provide to the Bank;
- Attract and retain Employees with skills required to effectively manage the operations and growth of the business;
- Be consistent and appropriate having regard to the performance of the Bank and the relevant Employees;
- Motivate Employees to perform in the best interests of the Bank and its shareholders;
- Motivate Employees to pursue long term growth and success of the Bank within the Board approved control framework;
- Manage the risks associated with remuneration in a manner that supports the Bank's risk management frameworks by applying an appropriate balance between fixed and variable remuneration, reflecting short and long term performance objectives to the Bank's circumstances and goals;
- Apply key short term and long term key performance indicators, including financial and nonfinancial measures of performance, to eligible employees;
- Demonstrate a clear relationship between individual performance and rewards;
- Comply with all regulatory and legal requirements; and
- Provide an appropriate level of transparency.

The structure of remuneration arrangements for all employees consists of following components:

- Fixed Remuneration; and
- Performance-based remuneration

Fixed remuneration: This includes base salary and fixed benefits. Base salaries are determined to attract and retain employees with skills required to effectively manage the operations and growth of the business to reflect best market practice for the specific circumstances of the Bank. Fixed remuneration is benchmarked against the financial services industry through the use of external remuneration market surveys, conducted by professional, independent benchmarking organizations.

Performance-based remuneration: Employee remuneration packages may include a 'variable' component with short term and long term incentive plans like increment and performance

In addition, employees with compliance and supervisory responsibilities are also provided additional benefits besides their regular pay.

Qualitative Disclosures

- (c) Description of the ways in which current and future risks are taken into account in the remuneration processes.

The Bank's remuneration practices are carefully managed taking into account the following key risks when implementing remuneration measures:

- Financial Risks
- Compliance Risks

Risk and compliance requirements represent a gateway to whether an incentive bonus payment is made and the size of the payment. Despite, if the individual does not meet or only partially meets requirements, no award or a reduced award may be made.

-
- (d) Description of the ways in which the bank seeks to link performance :

Overview of main performance metrics for the Bank, top level business lines and individuals-

The main performance metrics include profits, loan growth, deposit growth, risk metrics (such as quality of assets), compliance with regulatory norms, refinement of risk management processes and customer service. The specific metrics and weightages for various metrics vary with the role and level of the individual.

Discussion of how amounts of individual remuneration are linked to the Bank-wide and individual performance-

The Annual Performance Appraisal (APA) takes into consideration all the above aspects while assessing individual performance and making compensation-related recommendations to the Remuneration Committee regarding the level of increment and performance bonus for employees. The performance assessment of individual employees is undertaken based on achievements vis-à-vis their Key Performance Indicators (KPIs) set beforehand, which incorporate the various aspects/metrics.

-
- (e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance.

The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. The Bank provides reasonable remuneration for short-term performance besides for long-term performance the bank has some deferred payment options (i.e. performance bonus, provident fund, gratuity etc.)

In case of following situation remuneration can be adjusted before vesting:

- Disciplinary Action (at the discretion of Enquiry committee)
- Resignation of the employee prior to the payment date.

At the same time previously paid or already vested variable pay can also be recovered under the case of disciplinary action (at the discretion of the Disciplinary Committee and approval of Management)

-
- (f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms.

The main forms of such variable remuneration include:

- Monthly Cash benefits
- Incentive plan for the employees to be paid annually

The form of variable remuneration depends on the job level of individual, risk involved, the time horizon for review of quality of the assignments performed.

-
- (g) Number of Meeting held by the Remuneration Committee during the financial year and remuneration paid to its member.

Meeting regarding overseeing remuneration was held on need basis. No fees paid to the Committee Members as remuneration for attending such meetings.



Qualitative Disclosures

- (h) Number of employees having received a variable remuneration award during the financial year. Nil
 Number and total amount of guaranteed bonuses awarded during the financial year :
 2 numbers of guaranteed festival bonuses amounted BDT 7.77 Million for Senior Management.
 Number and total amount of sign-on award made during the financial year. Nil
 Number and total amount of severance payments made during the financial year. Nil

- (i) Total amount of outstanding deferred remuneration, split into cash, shares and share-lined instruments and other forms. Nil
 Total amount of deferred remuneration paid out in the financial year: Nil

- (j) Breakdown of amount of remuneration awards for the financial year to show.
 Fixed and Variable:
 Breakdown of Remuneration (Fixed and Variable) is as follows :

Details	SVP & Above	Other
No of Employees	19	604
	(Amount in Million)	
Basic Salary		332.81
Allowances		302.28
Festival Bonus		48.41
Gratuity		12.69
Provident Fund Contribution		28.11

- (k) Quantitative Information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluation of awards) of deferred remuneration and retained remuneration:

Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments. Nil
 Total amount of reductions during the financial year due to ex post explicit adjustments. Nil
 Total amount of reduction during the financial year due to ex post implicit adjustments. Nil

Credit Rating Report

NRB Bank Limited was rated by EMERGING Credit Rating Ltd. (ECRL) on the basis of Audited Financial Statements as on 31 December 2020. The summary of Rating is presented below:



CREDIT RATING

RATING	2021	2020
Long Term	A	A-
Short Term	ST-2	ST-2



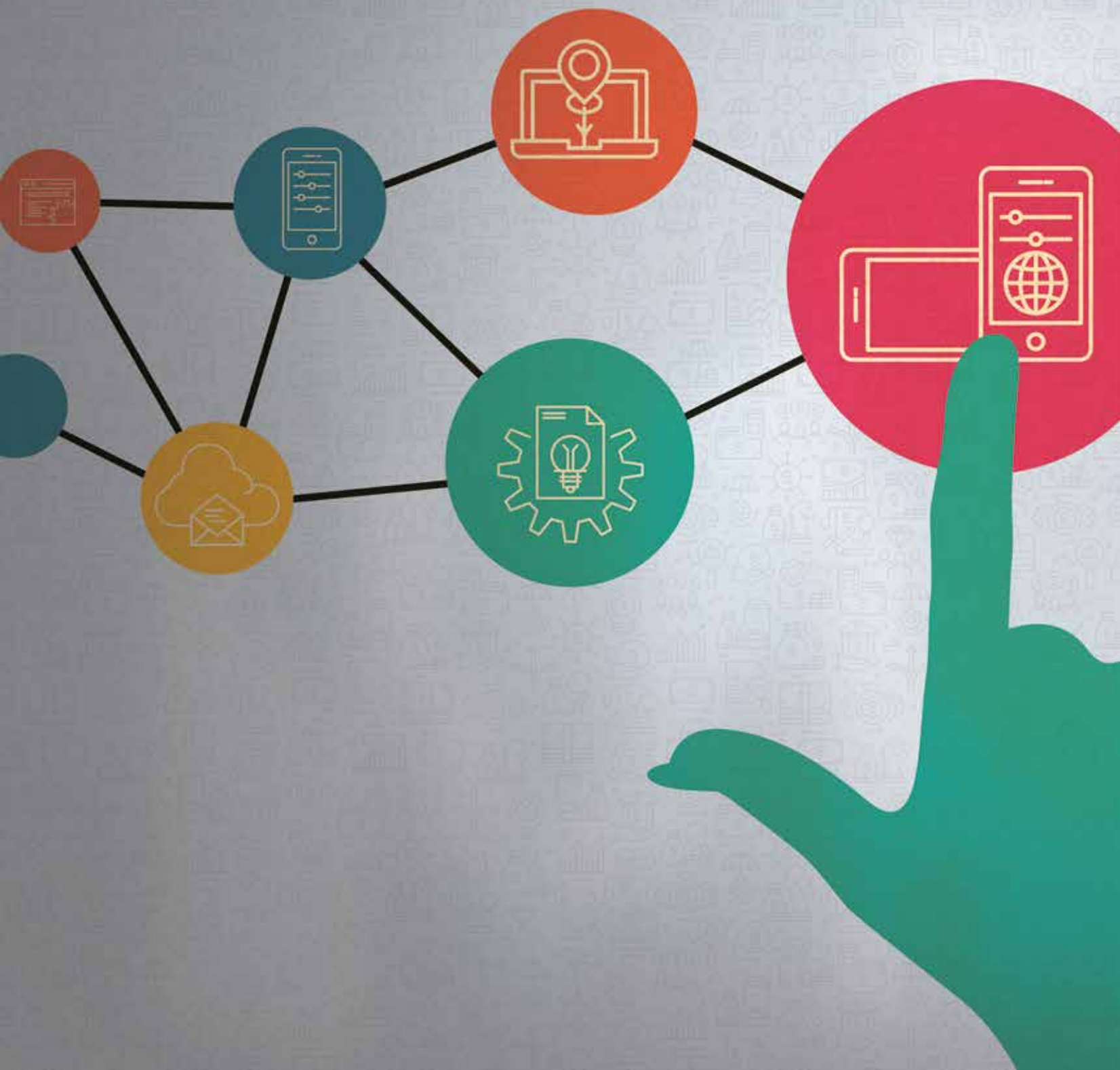
Rated by	EMERGING Credit Rating Ltd.
Date of Rating	June 30, 2021
Validity	Up to June 30, 2022

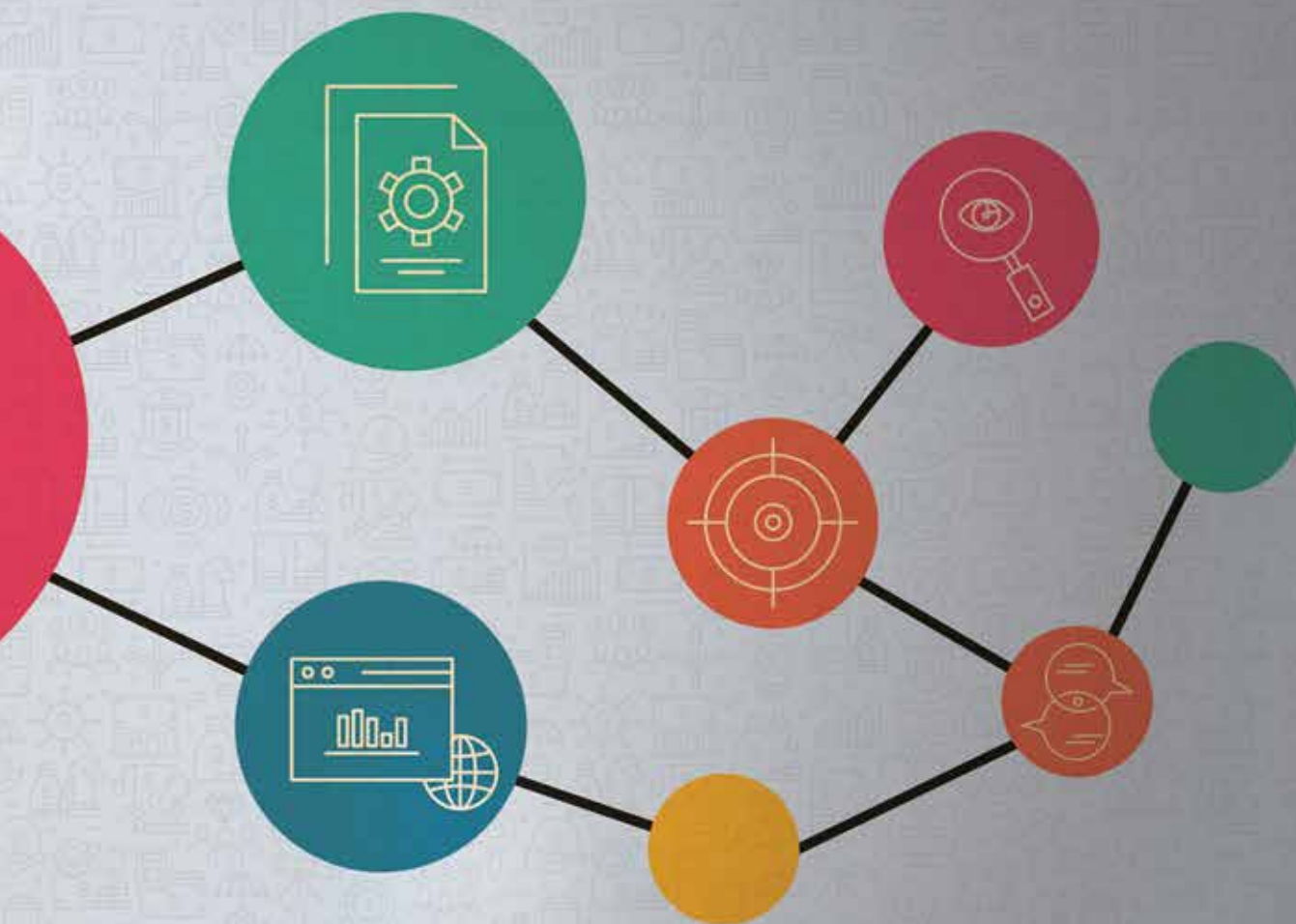


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www.facebook.com/nrbbankbd





STAKEHOLDERS' INFORMATION

Financial Highlights

BDT Million

Particulars	2020	2019	Change (%)
Performance During the Year			
Net Interest Income	995	1,514	-34.3%
Non Interest Income	1,445	914	58.0%
Operating Income	2,439	2,428	0.5%
Operating Profit/(Loss)	950	925	2.7%
Profit/(Loss) After Tax	671	(125)	
Year End Financial Position			
Loans and Advances	38,849	38,932	-0.2%
Investment	7,665	8,257	-7.2%
Deposits	41,831	41,810	0.1%
Eligible Capital (Tier-I & Tier-II)	6,013	5,197	15.7%
Total Asset	55,363	54,723	1.2%
Ratios (%)			
Capital adequacy ratio (as per Basel II)	16.07%	13.32%	20.7%
Non performing loans	3.71%	4.14%	-10.3%
Cost to income ratio	61.1%	61.9%	-1.4%
Channel			
Branch	46	46	0.0%
ATM (Own)	46	47	-2.1%
ATM (Shared)	NPSB	NPSB	

Other Channel Standing in 2020

Call Center (24X7 Contact Center)	: Just a call away to 16568
Internet Banking	: log in from PC or mobile from anywhere in the world
Apps	: NRB Click

Five-Year Progression Of NRB Bank

BDT Million

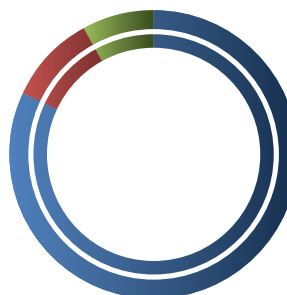
Particulars		2020	2019	2018	2017	2016
Balance Sheet Metric						
Deposit Growth 0.1% from 41,810 M of 2019	Authorised capital	10,000	10,000	10,000	10,000	10,000
	Paid up capital	4666	4,666	4,320	4,000	4,000
	Eligible Capital (Tier-I & Tier-II)	6013	5,197	5,524	4,942	4,834
	Deposits	41,831	41,810	33,519	23,933	17,466
Loan Growth -0.2% from 38,932 M of 2019	Borrowing	3,643	3,734	3,003	4,614	820
	Loans and Advances	38,849	38,932	32,473	22,921	12,589
	Credit to deposit ratio	85.52%	87.8%	87.6%	81.2%	72.1%
Income Statement Metric						
Investment						
Fixed assets						
Total assets						
Income Statement Metric						
Net interest income						
Non-interest income						
Investment income						
Operating income						
Operating expense						
“Credit Rating” Long Term A Short Term ST-2	Operating profit/(loss) -before provision and tax	950	925	909	854	810
	Provision for loans, investment and other assets	0.66	1,019	253	247	91
	Profit/(loss) before tax	949	(94)	657	606	719
	Profit/(loss) after tax	671	(125)	582	443	525
Credit Quality						
Non performing / classified loans (NPLs)						
Specific provision						
General provision						
NPL to total loans and advance						





Asset Funding Mix 2020

Deposits 80.6%
Shareholders' Equity 11.6%
Other Liabilities 7.9%



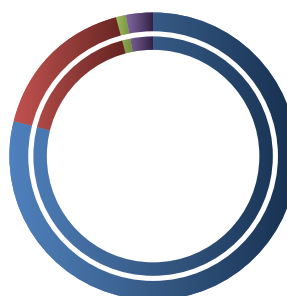
Asset Funding Mix 2019

82.0% Deposits
10.1% Shareholders' Equity
7.9% Other Liabilities



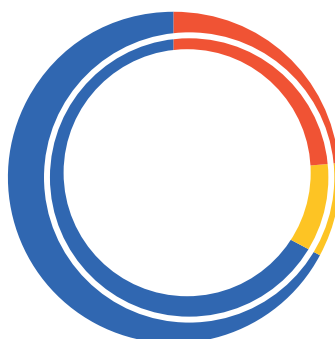
Asset Mix 2020

Loans and Advances 80%
Investments 16%
Fixed Assets 1%
Other Assets 3%



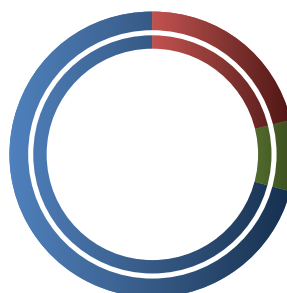
Asset Mix 2019

79% Loans and Advances
17% Investments
1% Fixed Assets
3% Other Assets



Deposit Mix 2020

Current Deposit 23.8%
Savings Deposit 9.2%
Fixed Deposit 67.0%



Deposit Mix 2019

21.2% Current Deposit
8.0% Savings Deposit
70.8% Fixed Deposit

Statement Of Value Added

and its Distribution

Value added statement shows how much value (wealth) has been created by the bank through utilization of its capacity, capital, manpower and other resources and how it is allocated among different stakeholders i.e. employees, shareholders, government etc.

Particulars	Amount in Taka 2020
Wealth creation:	
Income from banking services	5,509,544,854
Less: Cost of services & supplies	3,697,558,523
Value added by banking services	1,811,986,332
Non-banking income	-
Provision for loans, investments & off balance sheet items	(655,769)
Total wealth creation	1,811,330,562
Wealth distribution	
To employees as salary expenses	753,415,945
To government exchequer as income tax	195,195,492
To expansion & growth	
Retained profit/(loss)	671,068,441
Depreciation	108,843,358
Deferred taxation	82,807,326
	862,719,126
Total Value Addition	1,811,330,562



To employee as salaries expenses 41.59%
 To government exchequer as income tax 10.78%
 Retained profit/(loss) 37.05%
 Depreciation 6.01%
 Deferred taxation 4.57%



Economic Impact Report

The bank's overall mission is to deliver optimum value to its customers, employees, shareholders and the nation and the business strategy is geared towards achieving this. This section covers the value the bank delivers to its shareholders and the nation at large.

The bank's policy has been to deliver optimum value in a manner that is consistent with the highest levels of fairness and transparency. For the bank, it has not been a case of building financial value and enhancing the bottom line at any cost, but rather participating in a process of creating value through fair and ethical means. Building sustainable value of all stakeholders is an important corporate goal.

Some of the measures taken to create, sustain and deliver optimum value are as follows:

Maintaining capital adequacy

Capital adequacy symbolizes the financial strength and stability of a bank. It limits the extent up to which banks can expand their business in terms of risk weighted assets. Like all commercial institutions, banks too constantly look at ways of expanding their operations by acquiring property, plant and equipment, opening branches, in addition to mobilizing deposits, providing loans and investing in other assets.

Regulatory capital requirements are therefore necessary to prevent banks from expanding beyond their ability to manage, to improve the quality of bank's assets, to control the ability of the banks to leverage their growth and to lead to higher earnings on assets, leading to peace of mind of all the stakeholders. The bank keeps a careful check on its capital adequacy ratios.

Maintaining liquidity

The liquidity policy of the bank has always been to carry a positive mismatch in the interest earning assets and interest bearing liabilities in the 1 to 30 days category. Our liquidity remained at optimum levels during the year. The assets and liabilities committee (ALCO) of the bank monitors the situation and maintains a satisfactory trade-off between liquidity and profitability.

The capital adequacy computation as at 31 December 2020 is given below:

Tier-1 Capital:	2020 (Taka)	2019 (Taka)
A) Total Common Equity Tier 1 Capital		
Paid up capital	4,665,600,000	4,665,600,000
Share premium	-	-
Statutory reserve	660,507,569	470,693,317
General reserve	-	-
Retained earnings	470,952,006	(10,302,183)
	5,797,059,575	5,125,991,134
Less: Regulatory adjustments	328,215,994	413,672,651
A) Total Common Equity Tier 1 Capital	5,468,843,581	4,712,318,483
B) Additional Tier 1 Capital:		
Add: Additional Tier 1 Capital	-	-
Less: Regulatory adjustments	-	-
C) Total Tier-1 Capital	5,468,843,581	4,712,318,483
Tier 2 Capital (Gone -Concern Capital)		
Subordinated Bond		
General provision maintained against unclassified loan/investments	-	-
General provision on off-balance sheet items	441,755,014	348,050,818
Asset revaluation reserve	102,571,227	136,274,389
Revaluation reserve of Government securities	-	-
	-	12,331,383
Less: Regulatory adjustments	544,326,241	496,656,590
D) Total Tier 2 Capital	-	12,331,383
	544,326,241	484,325,207
E) Total capital(C+D)		
	6,013,169,821	5,196,643,690
F) Total Risk weighted assets (RWA)		
	37,410,765,042	39,012,816,641
G) Required total capital (12.50% of RWA) or Minimum 4,000,000,000 whichever is higher	4,000,000,000	4,000,000,000
H) Surplus Common Equity Tier 1 Capital(A-G)	2,013,169,821	1,196,643,690
Capital to Risk-Weighted Assets Ratio:		
Common Equity Tier- 1 / core capital to RWA against minimum requirement 4.5%	14.62%	12.08%
Tier- 1 / core capital to RWA minimum requirement 6%	14.62%	12.08%
Capital to Risk Weighted Assets against minimum requirement 10%	16.07%	13.32%





FINANCIAL STATEMENTS



Independent auditors' Report

To the Shareholders of NRB Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NRB Bank Limited (the "Bank"), which comprise the balance sheet as at 31 December 2020, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Bank give a true and fair view of the balance sheet as at 31 December 2020, and of its profit and loss accounts and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2 and 3.

Basis for opinion

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

Emphasis of matter

We draw attention to note 3.16 of the financial statements, which describes matters related to implementation of 'IFRS 16 Leases' including preliminary assessment of its impact as assessed by management. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other

information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements and internal controls

Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRSs as explained in note 2 and 3 and comply with the Banking Company Act, 1991 (as amended up to date), the Companies Act, 1994 and other applicable Laws and Regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bangladesh Bank guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Bank. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank's audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have

complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

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

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
 - ii. to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - a) internal audit, internal control and risk management arrangements of the Bank as
 - b) disclosed in the financial statements appeared to be materially adequate;
- 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;
- iii. in our opinion, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books;
 - iv. the records and statements submitted by the branches have been properly maintained in the financial statements;
 - v. the balance sheet and profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
 - vi. the expenditures incurred and payments made were for the purpose of the Bank's business for the year;
 - vii. the financial statements have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
 - viii. adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
 - ix. the records and statements submitted by the branches have been properly maintained in the financial statements;
 - x. the information and explanations required by us have been received and found satisfactory;
 - xi. we have reviewed over 80% of the risk weighted assets of the Bank and spent over 2,150 person hours; and
 - xii. capital to risk-weighted asset ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.



Dhaka, 03 June 2021
DVC No: 2106210770AS289510

Sabbir Ahmed, FCA, Partner
Enrolment no: 770, Hoda Vasi Chowdhury & Co
Chartered Accountants



Balance Sheet

As at 31 December 2020

PROPERTY AND ASSETS	Notes	31.12.2020 Taka	31.12.2019 Taka
Cash	4	3,140,113,528	3,170,883,607
Cash in hand (including foreign currencies)	4.1	739,719,284	777,432,737
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	4.2	2,400,394,244	2,393,450,870
Balance with other banks and financial institutions	5	3,167,659,594	2,018,295,669
In Bangladesh	5.1	3,068,091,239	1,859,573,354
Outside Bangladesh	5.2	99,568,355	158,722,315
Money at call on short notice		535,500,000	345,320,000
Investments	6	7,665,384,722	8,256,770,228
Government	6.1	6,079,258,097	6,703,274,548
Others	6.2	1,586,126,625	1,553,495,680
Loans and advances	7	38,848,570,390	38,932,317,978
Loans, cash credit, overdrafts etc.	7.1	38,792,949,133	38,813,955,679
Bills purchased and discounted	7.2	55,621,257	118,362,299
Fixed assets including premises, furniture and fixtures	8	384,938,747	448,917,068
Other assets	9	1,621,318,738	1,550,469,807
Non - banking assets		-	-
Total assets		55,363,485,719	54,722,974,357
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	10	3,642,983,144	3,733,884,914
Deposits and other accounts		41,830,983,438	41,809,853,016
Current deposits and other accounts	11.1	9,887,349,818	8,835,535,861
Bills payable	11.2	316,811,897	200,730,379
Savings bank deposits	11.3	3,831,217,604	3,315,135,398
Fixed deposits	11.4	27,795,604,119	29,458,451,378
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	12	4,085,752,364	4,051,536,334
Total liabilities		49,559,718,946	49,595,274,264
Capital/shareholders' equity			
Paid up capital	13.2	4,665,600,000	4,665,600,000
Statutory reserve	14	660,507,569	470,693,317
Other reserve	15	6,707,198	1,708,959
Retained earnings	16	470,952,006	(10,302,183)
Total shareholders' equity		5,803,766,773	5,127,700,093
Total liabilities and shareholders' equity		55,363,485,719	54,722,974,357

PROPERTY AND ASSETS	Notes	31.12.2020 Taka	31.12.2019 Taka
OFF-BALANCE SHEET ITEMS			
Contingent liabilities	17	10,880,863,570	14,417,316,055
Acceptances and endorsements	17.1	1,565,237,575	2,604,112,785
Letters of guarantee	17.2	7,366,294,585	8,840,474,904
Irrevocable letters of credit	17.3	1,325,590,543	2,182,851,200
Bills for collection	17.4	623,740,867	789,877,166
Other contingent liabilities			
Other commitments		-	-
Documentary credits and short term trade-related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		-	-
Total off-Balance Sheet items including contingent liabilities		10,880,863,570	14,417,316,055

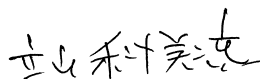
The annexed notes form an integral part of these financial statements.



Managing Director & CEO



Director



Vice Chairman

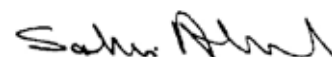


Chairman

As per our report of same date.

Dhaka, 03 June 2021

DVC No: 2106210770AS289510



Sabbir Ahmed, FCA, Partner

Enrolment no: 770
Hoda Vasi Chowdhury & Co
Chartered Accountants

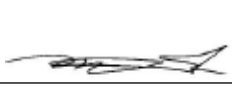
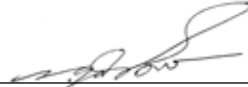
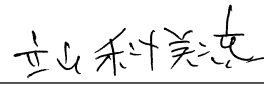


Profit and Loss Account

For the year ended 31 December 2020

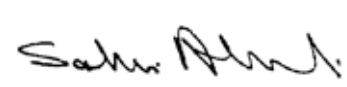
	Notes	2020 Taka	2019 Taka
Interest income	19	4,065,018,938	4,603,332,997
Interest paid on deposits and borrowings etc.	20	(3,070,333,638)	(3,088,835,347)
Net interest income		994,685,300	1,514,497,650
Income from investments	21	994,960,846	447,119,076
Commission, exchange and brokerage	22	388,086,630	445,817,916
Other operating income	23	61,478,441	20,858,079
		1,444,525,917	913,795,071
Total operating income (A)		2,439,211,217	2,428,292,720
Salaries and allowances	24	739,815,945	710,291,621
Rent, taxes, insurance, electricity etc.	25	312,600,607	316,448,163
Legal and professional expenses	26	5,558,070	4,137,894
Postage, stamp, telecommunication etc.	27	33,130,666	34,885,572
Stationery, printing, advertisements etc.	28	19,632,693	30,935,848
Managing Director's salary and fees	29	13,600,000	16,738,000
Directors' fees and other expenses	30	742,421	5,148,511
Auditors' fees	31	400,000	400,000
Depreciation and repair of bank's assets	32	146,623,100	154,999,478
Other expenses	33	217,380,687	229,195,654
Total operating expenses (B)		1,489,484,188	1,503,180,741
Profit before provision (C=A-B)		949,727,028	925,111,979
Provision for start-up fund		9,497,270	-
Provision for loans and advances			
General provision		93,948,404	75,087,071
Specific provision		(129,777,502)	814,076,927
		(35,829,098)	889,163,998
Provision for off-balance sheet items		(33,703,162)	28,601,862
Provision for diminution in value of investments		(65,959,197)	100,854,567
Other provisions		126,649,955	197,000
Total provision (D)	34	655,769	1,018,817,427
Total profit before tax (E=C-D)		949,071,259	(93,705,448)
Provision for tax			
Provision for current tax	12.6	195,195,492	340,045,431
Deferred tax expense/(Income)		82,807,326	(308,394,666)
Total provision for tax (F)		278,002,818	31,650,765
Net profit after tax (G=E-F)		671,068,441	(125,356,213)
Appropriations			
Statutory reserve	14	189,814,252	-
General reserve		-	-
		189,814,252	-
Retained surplus for the year		481,254,189	(125,356,213)
Earnings per share (EPS)	37	1.44	-0.27

The annexed notes form an integral part of these financial statements.

			
Managing Director & CEO	Director	Vice Chairman	Chairman

As per our report of same date.

Dhaka, 03 June 2021
DVC No: 2106210770AS289510


Sabbir Ahmed, FCA, Partner
Enrolment no: 770, Hoda Vasi Chowdhury & Co
Chartered Accountants

Cash Flow Statement

For the year ended 31 December 2020

	Notes	2020 Taka	2019 Taka
Cash flows from operating activities			
Interest receipts in cash		4,673,761,847	5,059,688,924
Interest payments		(3,344,603,866)	(3,352,626,662)
Dividend receipts		55,826,174	66,553,877
Fees and commission receipts		388,086,630	445,817,916
Cash payments to employees		(753,415,945)	(727,029,621)
Cash payment to suppliers		(8,645,144)	(12,671,920)
Income tax paid		(342,943,056)	(208,769,203)
Receipts from other operating activities	35	21,924,833	20,858,079
Payments for other operating activities	36	(602,010,939)	(662,270,325)
Cash generated from operating activities before changes in operating assets and liabilities		87,980,535	629,551,065
Increase/(decrease) in operating assets and liabilities:			
Loans and advances to customers		83,747,588	(6,458,858,073)
Other assets		(70,848,931)	(544,886,179)
Deposits from customers		21,130,422	8,291,258,436
Other liabilities		233,874,420	1,151,752,504
Cash generated from operating assets and liabilities		267,903,500	2,439,266,689
Net cash generated from operating activities		355,884,034	3,068,817,754
Cash flows from investing activities			
(Purchase)/sale of trading securities		624,016,451	(2,559,326,732)
Gain/loss from sale of trading securities, shares, bonds, etc.		294,143,771	(109,030,116)
(Purchase)/sale of shares and bonds		(32,630,945)	(53,269,985)
(Purchase) of property and equipment		(31,917,695)	(122,118,864)
Net cash used in investing activities		853,611,582	(2,843,745,697)
Cash flows from financing activities			
Borrowings from other banks, financial institutions and agents		(90,901,771)	385,174,185
Cash dividend paid		-	-
Net Cash flows/(used in) from financing activities		(90,901,771)	385,174,185
Net increase in cash and cash equivalents (A+ B + C)		1,118,593,846	610,246,243
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the year		5,189,179,276	4,578,933,033
Cash and cash equivalents at end of the year (D+E+F)		6,307,773,122	5,189,179,276
Cash and cash equivalents at end of the year represents			
Cash in hand (including foreign currencies)		739,719,284	777,432,737
Balance with Bangladesh Bank and its agent bank (s)		2,400,394,244	2,393,450,870
Balance with other banks and financial institutions		3,167,659,594	2,018,295,669
		6,307,773,122	5,189,179,276

The annexed notes form an integral part of these financial statements.

Managing Director & CEO

Director

Vice Chairman

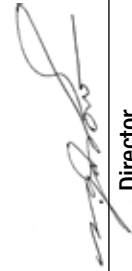
Chairman

Statement of Changes in Equity

For the year ended 31 December 2020

Particulars	(Amount in Taka)				
	Paid up capital	Statutory reserve	Other Reserve	Retained earnings	Total
Balance as at 1 January 2020	4,665,600,000	470,693,317	1,708,959	(10,302,183)	5,127,700,093
Bonus share issued for 2019	-	-	-	-	-
Net profit/(loss) after tax for the year	-	-	-	671,068,441	671,068,441
Transfer to statutory reserve	-	189,814,252	-	(189,814,252)	-
Addition/(adjustment) made during the year	-	-	4,998,239	-	4,998,239
Balance as at 31 December 2020	4,665,600,000	660,507,569	6,707,198	470,952,006	5,803,766,773
Balance as at 1 January 2019	4,320,000,000	470,693,317	44,219	460,654,030	5,251,391,566
Bonus share issued for 2018	345,600,000	-	-	(345,600,000)	-
Net profit/(loss) after tax for the year	-	-	-	(125,356,213)	(125,356,213)
Transfer to statutory reserve	-	-	-	-	-
Addition/(adjustment) made during the year	-	-	1,664,740	-	1,664,740
Balance as at 31 December 2019	4,665,600,000	470,693,317	1,708,959	(10,302,183)	5,127,700,093

The annexed notes form an integral part of these financial statements.



Managing Director & CEO



Vice Chairman



Chairman

(Analysis of maturity of assets and liabilities)
As at 31 December 2020

Notes to the Financial Statements

As at and for the year ended 31 December 2020

1. The Bank and its activities

1.1 Reporting entity

The NRB Bank Limited (the “Bank”) is a private commercial bank (PCB), incorporated as a public limited company in Bangladesh on 19 March 2013 under the Companies Act, 1994. It started its banking businesses from 04 August 2013 under the license issued by Bangladesh Bank. The Bank has currently 46 branches, 46 ATM booths and NPSB shared ATM booths all over Bangladesh. The Bank had no overseas branches as at 31 December 2020.

The registered office of the Bank is located at SimpleTree - Anarkali, 89 Gulshan Avenue, Gulshan – 1, Dhaka, Bangladesh.

1.2 Principal activities

The principal activities of the Bank are to provide a comprehensive range of financial products and services, personal and commercial banking, trade services, cash management, treasury, securities and custodial services to its customers.

2. Basis of preparation and significant accounting policies

2.1 Statement of compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) is formed and it is yet to issue financial reporting standards for public interest entities such as banks. The Bank Company Act 1991 has been amended to require banks to prepare their financial statements under such financial reporting standards. The FRC has been formed but yet to issue any financial reporting standards as per the provisions of the FRA and hence International Financial Reporting Standards (IFRS) as approved by the Institute of Chartered Accountants of Bangladesh (ICAB) are still applicable.

Accordingly, the financial statements of the Bank continue to be prepared in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Bank Company Act 1991, the rules and regulations issued by Bangladesh Bank (BB), the Companies Act 1994. In case any requirement of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Bank Company Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material deviations from the requirements of IFRS are as follows:

i) Presentation of financial statements

IFRS: As per IAS 1 financial statements shall comprise statement of financial position, comprehensive income statement, changes in equity, cash flow statement, adequate notes comprising summary of accounting policies and other explanatory information. As per para 60 of IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flows statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the ‘First Schedule’ (section 38) of the Bank Company Act 1991 (amendment upto 2013) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of BB. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) Investments in shares, mutual funds and other securities

IFRS: As per requirements of IFRS 9, classification and measurement of investment in shares and securities will depend on how these are managed (the entity’s business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under “at fair value through profit or loss account” or under “at fair value through other comprehensive income” where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

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

iii) Revaluation gains/losses on Government securities

IFRS: As per requirement of IFRS 9 where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognised through the profit and loss account. Securities designated as amortised cost are measured at effective interest rate method and interest income is recognised through the profit and loss account.

Bangladesh Bank: According to DOS circular no. 05 dated 26 May 2008 and subsequent clarification in DOS circular no. 05 dated 28 January 2009, amortisation loss is charged to profit and loss account, mark-to-market loss on revaluation of Government treasury securities (T-bills / T-bonds) categorised as HFT is charged to Profit and Loss account, but any unrealised gain on such revaluation is recognised to revaluation reserve account. T-bills/T-bonds designated as HTM are measured at amortized cost method but interest income/gain is recognized through equity.

iv) Provision on loans and advances

IFRS: As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 16 dated 18 November 2014 and BRPD circular no. 8 dated 2 August 2015, a general provision @ 0.25% to 5% under different categories of unclassified loans (standard/ SMA loans) should be maintained regardless of objective evidence of impairment and as per BRPD Circular no 56, dated 10 December 2020, special general provision @ 1% on unclassified (standard/SMA) loans that are availing extended time to pay installment/ adjustment should be maintained. And specific provision for sub-standard/doubtful/ bad-loss loans should be made at 20%, 50% and 100% respectively on loans net off eligible securities (if any). Also, a general provision @ 1% should be provided for off-balance sheet exposures except bills for collection. Such provision policies are not specifically in line with those prescribed by IFRS 9.

v) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortised cost as per IFRS 9 and interest income is recognised by using the effective interest rate method to the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortised cost of these loans and advances.

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

vi) Other comprehensive income and appropriation of profit

IFRS: As per IAS 1 other comprehensive income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income (OCI) statement. IFRSs do not require appropriation of profit to be shown on the face of the statement of comprehensive income.

Bangladesh Bank: The templates of financial statements issued by BB do not include other comprehensive income nor are the elements of other comprehensive income allowed to be included in a single other comprehensive income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity. Furthermore, the above templates require disclosure of appropriation of profit on the face of profit and loss account.

vii) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 and IAS 32 cannot be made in the financial statements.



viii) Repo and reverse repo transactions

IFRS: As per IFRS 9 when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (repo), the arrangement is treated as a loan and the underlying asset continues to be recognised at amortised cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per BB circulars/guidelines, when a bank sells a financial asset and simultaneously enters into an agreement to repurchase the same (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial assets should be derecognised in the seller's book and recognised in the buyer's book.

ix) Financial guarantees

IFRS: As per IFRS 9, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtors fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value plus transaction costs that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognised less, income recognised in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD 14, financial guarantees such as letter of credit and letter of guarantee will be treated as off-balance sheet items. No liability is recognised for the guarantee except the cash margin. As per BRPD Circular No.01 dated 03 January 2018 and BRPD Circular No.14 dated 23 September 2012, the Bank is required to maintain provision at 1% against gross off-balance sheet exposures (which includes undrawn loan commitments).

x) Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as money at call on short notice, treasury bills with maturity of more than three months and prize bond are not shown as cash and cash equivalents. Money at call on short notice is shown separately in the balance sheet. Treasury bills with maturity of more than three months and prize bond are shown under investment in the balance sheet.

xi) Non-banking assets

IFRS: No indication of non banking assets is found in any IFRSs.

Bangladesh Bank: As per BRPD circular no 14, dated 25 June 2003, there exists a face item named non banking assets.

xii) Cash flow statement

IFRS: Cash flow statement can be prepared either in direct method or indirect method. The presentation method is selected to present cash flow information in a manner that is most suitable for the business or industry. Whichever method selected should be applied consistently.

Bangladesh Bank: As per BRPD circular no 14, dated 25 June 2003, cash flow statement is to be prepared following a mixture of direct and indirect method.

xiii) Balance with Bangladesh Bank: (Cash Reserve Requirement)

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

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

xiv) Presentation of intangible asset

IFRS: Intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no requirement for regulation of intangible assets in BRPD circular no. 14 dated 25 June 2003.

xv) Off-balance sheet items

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

Bangladesh Bank: As per BRPD circular no 14, dated 25 June 2003, off balance sheet items e. g. L/C, L/G, acceptance should be disclosed separately on the face of the balance sheet.

xvi) Loans and advances net of provision

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

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and can not be netted off against loans and advances.

2.2 Basis of measurement

The financial statements of the Bank have been prepared on the historical cost basis except for the following material items:

Government treasury securities (T-bills/T-bonds) designated as 'Held for Trading (HFT)' are marked-to-market weekly with resulting gain credited to revaluation reserve account but loss charged to profit and loss account.

Government treasury securities (T-bills/T-bonds) designated as 'Held to Maturity (HTM)' are amortized yearly with resulting gain credited to amortization reserve account but loss charged to profit and loss account.

2.3 Going concern basis of accounting

The financial statements has been prepared on the assessment of the Bank's ability to continue as a going concern. The Bank has neither any intention nor any legal or regulatory compulsion to liquidate or curtail materially the scale of any of its operations. The key financial parameters (including liquidity, profitability, asset quality, provision sufficiency and capital adequacy) of the Bank continued to exhibit a healthy trend for couple of years. The rating outlook of the Bank as denoted by the rating agency (ECRL) is 'stable'. Besides, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is the Bank's functional and presentation currency. All financial information presented in Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.5 Use of estimates and judgments

The preparation of the financial statements of the Bank in conformity with IFRSs require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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.

2.6 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the operation the spot exchange rate at the date of the transactions. Monetary assets and liabilities denominated into the functional currency at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognized in the profit and loss account.

2.7 Cash flow statement

Cash Flow Statement is prepared principally in accordance with IAS 7 "Statement of Cash Flows" under direct method as per the guidelines of BRPD circular no.14 dated 25 June 2003. The Cash Flow Statement shows the structure of and changes in cash and cash equivalents during the year. It Cash Flows during the year have been classified as operating activities, investing activities and financing activities.



2.8 Reporting period

These financial statements of the bank cover one calendar year from 1 January to 31 December 2020.

2.9 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as at the close of the year as per following basis:

- i) Balance with other banks and financial institutions, money at call and short notice etc. on the basis of their maturity term.
- ii) Investments on the basis of their residual maturity term.
- iii) Loans and advances on the basis of their repayment/maturity schedule.
- iv) Fixed assets on the basis of their useful lives.
- v) Other assets on the basis of their adjustment.
- vi) Borrowings from other banks and financial institutions, as per their maturity/repayment term.
- vii) Deposits and other accounts on the basis of their maturity and behavioral trend.
- viii) Other long term liability on the basis of their maturity term.
- ix) Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.10 Statement of changes in equity

Statement of Changes in Equity has been prepared in accordance with IAS 1 “Presentation of Financial Statements” and following the guidelines of Bangladesh Bank BRPD circular no.14 dated 25 June 2003.

Particulars	Basis used
Balance with Other Banks and Financial Institutions	Maturity Term
Investments	Respective Maturity Terms
Loans and Advances	Repayment schedule basis
Fixed Assets	Useful life
Other Assets	Realization/Amortization basis
Borrowing from Other Banks, Financial Institutions and Agents	Maturity/Repayment terms
Deposits and Other Accounts	Maturity term
Other Liabilities	Payments/Adjustments schedule basis

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements, and have been applied consistently by group entities except otherwise instructed by Bangladesh Bank as the prime regulator.

3.1 Assets and basis of their valuation

3.1.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand and at ATM, unrestricted balances held with BB and its agent bank, balance with other banks and financial institutions, money at call and on short notice and prize bonds which are not ordinarily susceptible to change in value.

3.1.2 Investments

All investments (other than government treasury securities) are initially recognized at cost, including acquisition charges associated with the investment. Accounting treatment of government treasury securities (categorized as HFT or/and HTM) is given following DOS Circular no. 05 dated 26 May 2008 and subsequent clarifications on 28 January 2009. All investment securities are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment. The valuation methods of investments used are:

Held to Maturity (HTM)

Investments which are intended to be held till maturity are classified as 'Held to Maturity' (HTM). These are measured at amortized cost at each year end by taking into account any discount or premium on acquisition. Premiums are amortized and discounts are accreted, using the effective or historical yield. Any increase or decrease in value of such investments is booked to equity but decrease to profit and loss account.

Held for Trading (HFT)

These are investments primarily held for selling or trading. After initial recognition, investments are marked to market weekly and any decrease in the present value is recognized in the Profit and Loss Account and any increase is booked to Revaluation Reserve Account through Profit and Loss Account.

REPO and Reverse REPO

The Bank has been recording transactions of REPO and reverse REPO following DOS circular no. 6 dated 15 July 2010 of BB. In case of REPO of both coupon and non-coupon bearing (T-bills) securities, the Bank adjusts the revaluation reserve account for HFT securities and stops the weekly revaluation (if the revaluation date falls within the REPO period) of the same security. For interest bearing security, the Bank does not accrue interest during REPO period.

Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income which are reported at cost.

Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

Provision for shares against unrealized loss (gain net off) has been made according to DOS circular no. 4 dated 24 November 2011 and for mutual funds (closed-end) as per DOS circular letter no. 3 dated 12 March 2015 of Bangladesh Bank.

Besides, bank complied with Bangladesh Bank BRPD Circular 14 dated June 25, 2003 as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year- end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investments".

Investments are stated as per following bases:

Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Govt. treasury securities - Held for Trading (HFT)	Cost	Fair Value	Loss to Profit and Loss Account, gain to Revaluation Reserve.
Govt. treasury securities - Held to Maturity (HTM)	Cost	Amortized cost	Increase in value of such investments is booked to equity, decrease to profit and loss account.
Debenture/Bond	Face value	None	None
Shares (Quoted)	Cost	Lower of cost or market value	Loss (net off gain) to profit and loss account but no unrealized gain booking.



Investment class	Initial recognition	Measurement after initial recognition	Recording of changes
Shares (Unquoted)	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealized gain booking.
Mutual fund (Closed-end)	Cost	Lower of cost and (higher of market value and 85% of NAV)	Loss (net) to profit and loss account but no unrealized gain booking.
Prize bond	Cost	Cost	None

3.1.3 Loans, advances and provisions

Loans and advances are stated in the balance sheet on gross basis.

Interest is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances is kept in interest suspense account as per BRPD circulars no. 14 dated September 23, 2012 on Master Circular: Loan Classification and Provisioning. Interest is not charged on bad and loss loans and advances as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

Commission and discounts on bills purchased and discounted are recognized at the time of realization.

General provisions @ 0.25% to 5% under different categories on unclassified loans (standard/SMA), special

general provision @ 1% on unclassified loans (standard/SMA) loans that are availing extended time to pay installment/adjustment and @ 1% on off balance-sheet exposures excluding bills for collection, and specific provisions @ 20%, 50% & 100% on classified (substandard/doubtful/bad loss) loans are made on the basis of quarter end review by the management and instructions contained in BRPD Circular no 14, dated 23 September 2012, BRPD Circular no 19, dated 27 December 2012, BRPD Circular no 16, dated 18 November 2014, BRPD Circular no 8, dated 2 August 2015 and BRPD Circular no 56, dated 10 December 2020. Provisions and interest suspense are separately shown under other liabilities as per First Schedule of Bank Company Act 1991 (amendment upto 2013), instead of netting off with loans.

Rates of provision on loans and advances are given below:

Heads	Rates
General provision on:	
Unclassified (including SMA) general loans and advances	1%
Unclassified (including SMA) small and medium enterprise	0.25%
Unclassified (including SMA) Loans to BHs/MBs/SDs against Shares etc.	2%
Unclassified (including SMA) loans for housing finance	1%
Unclassified (including SMA) loans for professionals and credit cards	2%
Unclassified (including SMA) consumer financing other than housing financing, loans for professionals and credit cards	5%
Short term agri credit and micro credit	1%
Off balance sheet exposures	1%
Special General provision (COVID-19) on:	
Unclassified (including SMA) loans that are availing extended time to pay installment/adjustment	1%
Specific provision on:	
Substandard loans and advances other than short term agri credit and micro credit	20%

Heads	Rates
Doubtful loans and advances other than short term agri credit and micro credit	50%
Bad/loss loans and advances	100%
Substandard short term agri credit and micro credit	5%
Doubtful short term agri credit and micro credit	5%

3.1.4 Property, plant and equipment

3.1.4.1 Recognition and measurement

All fixed assets are stated at cost less accumulated depreciation as per IAS 16 "Property, Plant and Equipment". Land is measured at cost. The cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of the IFRS. The cost of an item of property, plant and equipment is recognized as an asset if, it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably.

3.1.4.2 Subsequent costs

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity and cost can be measured reliably. The carrying amount of the replaced portion is derecognized. The costs of day to day servicing of fixed assets, i.e. repairs and maintenance is charged to profit and loss account as expense when incurred.

3.1.4.3 Depreciation

Depreciation is charged at the following rates on all fixed assets on the basis of estimated useful lives as determined by fixed asset policy of the Bank. In all cases depreciation is calculated on the straight line method. Depreciation of the assets is charged from the date of acquisition and intended to use and no depreciation is charged from the date when the assets are disposed.

Category of fixed assets	Rate of depreciation
Furniture and fixture	10%
Machinery and Equipment	20%
Computer and Network Equipment	20%
Vehicle	20%
Software	12.5%
Mobile Phone	50%

3.1.5 Other assets

As per BRPD circular No. 14 dated 25 June 2003, other assets/item(s) have been shown separately as 'income generating' and 'non income generating' in the relevant notes to the financial statements. Other assets include advance rent, advance for revenue and capital expenditure, stocks of stationary and stamps, security deposits to government agencies an unrealized income receivables etc.

3.1.6 Non-banking assets

Non-banking assets will be acquired due to failure of borrowers to repay the loan in time taken against mortgaged property. The value of the properties will be recognized in the financial statements as non-earning assets on the basis of third party valuation report. Value of the assets receive in addition to the loan outstanding will be kept as reserve against non-banking assets.



3.2 Liabilities and provisions

3.2.1 Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest-bearing borrowings redeemable at call and Bangladesh Bank refinance. These items are brought to financial statements at the gross value of the outstanding balance.

3.2.2 Deposits and other accounts

Deposits and other accounts include non interest-bearing current deposit redeemable at call, bills payable, interest bearing on demand and special notice deposits, savings deposit and fixed deposit. These items are brought to financial statements at the gross value of the outstanding balance.

3.2.3 Other liabilities

Other liabilities comprise items such as provision for loans and advances/investments, provision for taxes, interest payable on borrowing, interest suspense and accrued expenses etc. Individual item-wise liabilities are recognized as per the guidelines of Bangladesh Bank and International Financial Reporting Standards (IFRS).

3.2.4 Dividend payments

Interim dividend is recognized only when the shareholders' right to receive payment is established. Final dividend is recognized when it is approved by the shareholders in AGM. Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the year in which the shareholders' right to receive payment is established.

3.2.5 Provision for loans and advances

Provision for classified loans and advances is made on the basis of quarter-end review by the management and instructions contained in BRPD circular no. 14 dated 23 September 2012, BRPD circular no. 19 dated 27 December 2012, BRPD circular no. 16 dated 18 November 2014 and related subsequent amendment circulars. Details are stated in Note 12.3 of these financial statements.

3.2.6 Provision against investment in capital market

Provision for diminution of value of quoted shares and mutual funds (closed-end), placed under other liability, has been made on portfolio basis (gain net off) following DOS circular No. 04 dated 24 November 2011 and DOS circular letter no. 03 dated 12 March 2015 respectively. For unquoted shares, provision has been made based on available NAV of respective nos of units. As on the reporting date, the Bank does not hold any open-end mutual fund. Details are stated in Annexure-C of these financial statements.

3.2.7 Provision for off-balance sheet exposures

In compliance with BRPD circular no. 14 dated 23 September 2012 and related subsequent amendment circulars, the Bank has been maintaining provision @ 1% against off-balance sheet exposures (mainly contingent assets/liabilities) except bills for collection.

3.2.8 Provision for other assets

Provision for other assets is made as per the instructions made in the BRPD circular No. 14 dated 25 June 2001 i.e. 100% provision is required on other assets which are outstanding for one year or more or classified as bad/loss.

3.2.9 Provision for nostro accounts

Provision for unsettled transactions in nostro accounts is made as per FEPD circular no. FEPD (FEMO) / 01/2005-677 dated 13 September 2005 of Foreign Exchange Policy Department (FEPD) of Bangladesh Bank. On the reporting date, the Bank has no unsettled transactions outstanding for more than 3 months and no provision has been made in this regard.

3.2.10 Provision for liabilities and accrued expenses

In compliance with IAS 37, provisions for other liabilities and accrued expenses are recognized in the financial statements when the Bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.2.11 Contingent liabilities

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank.

Any present obligation that arises from past events but is not recognized because:

- * it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- * the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is reliably estimated.

Contingent assets are not recognized in the financial statements as this may result in the recognition of income which may never be realized.

3.3 Share capital and reserves

Authorized capital The authorized capital of the Bank is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association to issue among shareholders. This amount can be changed by shareholders' approval upon fulfilment of relevant provisions of the Companies Act 1994.

Paid-up capital

The paid-up capital represents the amount of bank's capital that has been contributed by ordinary shareholders. The holders of ordinary shares are entitled to receive dividend as recommended by the Board and subsequently approved by the shareholders from time to time in the Annual General Meeting (AGM).

Statutory reserve

In compliance with the provision of Section 24 of Bank Company Act 1991, the Bank transfers at least 20% of its profit before tax to "Statutory Reserve Fund" each year until the sum of statutory reserve and share premium equal to the paid up capital of the Bank.

Revaluation reserve

When the value of a government treasury security categorized as HTM increases as a result of amortization, the amount thus increased is recognized directly to equity as 'reserve for amortization'. However, any increase in the value of such securities categorized as HFT as a result of 'mark to market' is booked under equity as 'revaluation reserve' but any decrease is directly charged to profit and loss account as per DOS circular letter no. 05 dated 26 May 2008 & DOS Circular letter no 05, dated 28 January 2009.

3.4 Revenue recognition

Interest income Interest on unclassified loans and advances is recognized as income on accrual basis, interest on classified loans and advances is credited to interest suspense account with actual receipt of interest there from credited to income as and when received as per instruction contained in BRPD circular no 14 dated 23 September 2012, BRPD circular no 19 dated 27 December 2012 and BRPD circular no 16 dated 18 November 2014.

Fees and commission income

Fees and commission income arises on services provided by the Bank and recognized as and when received basis. Commission charged to customers on letters of credit, letters of guarantee and acceptance are credited to income at the time of effecting the transactions except those which are received in advance.

Investment income

Income on investments is recognized on accrual basis. Investment income includes discount on treasury bills and zero coupon bonds, interest on treasury bonds, debentures and fixed deposits with other banks. Capital gain on investments in shares and dividend on investment in shares are also included in investment income.



Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established as per IFRS 9.

Foreign exchange gain/ loss

Exchange income includes all gains and losses from foreign currency day to day transactions, conversions and revaluation of non monetary items.

Interest paid on borrowings and deposits

Interest paid on borrowings and deposits are calculated on 360 days basis (except for some treasury instruments which are calculated on 364 days basis) in a year and recognized on accrual basis.

Other operating expenses

All other operating expenses are provided for in the books of the account on accrual basis according to the IAS 1 “Presentation of Financial Statements”.

3.5 Employee benefits

Provident fund

The Bank operates a contributory provident fund for its permanent employees funded by both the employees and the Bank equally; employees contribute 10% basic salary and the Bank contributes an equal amount. The Bank's contribution is made each month and recorded under salary and allowances. This fund is managed by a separate trustee board i.e. “NRB Bank Employees' Provident Fund” and any investment decision out of this fund is made separately from that of the Bank's funds. The Commissioner of taxes, LTU, Dhaka has approved the provident fund as a recognized provident fund within the meaning of section 2 (52), read with the provisions of part – B of the first Schedule of Income Tax Ordinance, 1984. The recognition took effect from 30 April 2015.

Gratuity fund

The Bank operates a Gratuity Fund scheme on “Continuing Fund Basis”, in respect of which provision is made annually which is covering all its permanent eligible employees in accordance with Bank Service Rules. The Gratuity Fund is managed separately by ‘NRB Employees Gratuity Fund Trust’ and any investment decision out of this fund is also made by this Trust. The Second Secretary (Tax Exemption), National Board of Revenue, Dhaka has approved the NRB Bank Limited Employees' Gratuity Fund as a recognized Gratuity Fund within the meaning of Para 2,3 & 4, read with the provisions of Part - C of the First Schedule of Income Tax Ordinance 1984. The recognition took effect from August 09, 2015.

Superannuation fund

The Banks' introduced “NRB Bank Limited Employees' Superannuation Fund” commencing from August 12, 2019 is subscribed by the contribution of the bank. The fund has been established to provide medical support like; hospitalization, maternity etc. and coverage in the event of accidental death or permanent disabilities of the employees.

3.6 Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Provision for current income tax of the Bank has been made on taxable income @ 40% considering major disallowances of expenses and concessional rates on certain incomes (0% on gain on trading of govt. securities, 10% on capital gain of shares & MFs and 20% on dividend income) as per Income Tax Ordinance (ITO) 1984.

Deferred tax

Deferred tax assets or liabilities are recognized by the Bank on deductible or taxable temporary differences between the carrying amount of assets and liabilities used for financial reporting and the amount used for taxation purpose as required by IAS 12 'Income Taxes' and BRPD circular no.11 dated 12 December 2011. Deferred tax assets is recognized for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which they can be used. Deferred tax assets and liabilities are reviewed at each reporting period and are measured at the applicable tax rate as per tax laws that are expected to be applied when the assets is realized and liability is settled.

3.7 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

3.8 Comparative Information

Comparative information including narrative and descriptive one is disclosed in respect of the preceding period where it is relevant to enhance the understanding of the current period's financial statements. Certain comparative amounts in the financial statements are reclassified and rearranged where relevant, to conform to the current year's presentation.

3.9 Earnings Per Share

As per IAS 33 'Earnings per Share' the Bank has been reporting 'Basic EPS' as there has been no dilution possibilities during the year. Basic EPS is computed by dividing the profit or loss attributable to ordinary shareholders of the Bank by the number of ordinary shares outstanding during the period. Bonus shares issued in current period are considered for number of ordinary shares outstanding for preceding period to present comparative EPS with retrospective adjustment (restated).

3.10 Reconciliation of books and account

Books of account in regard to inter-bank (in Bangladesh and outside Bangladesh) as well as inter-branches are reconciled at regular intervals to keep the unreconciled balances within non-material level.

3.11 Risk management and other related matters

Financial Institutions are in the business of taking calculative risk and it is important how a bank decides on its risk appetite. The bank firmly believes that robust risk management is the core function that makes its business sustainable. The risk management systems in place at the Bank are discussed below:

Credit Risk

Credit risk is the risk of loss that may occur from the default of any counterparty to repay in accordance with agreed terms and conditions and/or deterioration of creditworthiness. Board of Directors is the apex body for credit approval of the Bank. However, they delegate authority to the Managing Director & CEO or other officers of the Credit Risk Management (CRM) Division. The Board also sets credit policies to the management for setting procedures, which together has structured the CRM framework in the bank. The Credit Policy Manual (CPM) contains the core principles for identifying, measuring, approving, and managing credit risk in the bank. The policy covers Corporate, Retail, Small and Medium Enterprise (SME) exposures. Policies and procedures together have structured and standardized CRM process both in obligor and portfolio level. There is a comprehensive credit appraisal procedure that covers Industry/Business risk, management risk, financial risk, facility structure risk, security risk, environmental risk, reputational risk, and account performance risk.

The bank follows the criteria for loan classification and provisioning requirement as stipulated in the BRPD circular no 14 dated September 23, 2012 and BRPD circular no 05 dated May 29, 2013.

Liquidity Risk

Responsibility of managing and controlling liquidity of the bank lies with Asset Liability Committee (ALCO) that meets at least once in a month. Asset Liability Management (ALM) desk being primarily responsible for management of liquidity risk closely monitors and controls liquidity requirements on a daily basis by appropriate coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. On monthly basis, ALCO monitors liquidity management by examining key ratios, maximum cumulative outflow, upcoming funding requirement from all business units, asset-liability mismatch etc.



ALCO also monitors concentration of deposits on large institutional depositors which is volatile in nature. In addition to these ratios, Bank prepares structural liquidity profile, maturity profile of term deposit, cash flow modeling, and contingency funding plan on monthly basis, which are analyzed in ALCO meeting to ensure liquidity at the level acceptable to the bank and regulators.

Market Risk

Risk Management Unit (RMU) is responsible for overall monitoring, control, and reporting of market risk while Treasury Mid Office is an integral part of market risk management which independently evaluates and monitors treasury department's transaction from risk perspective. Overall risk parameters and exposures of the bank are monitored by RMU and yearically reported to Bank Risk Management Committee (BRMC). Market risk can be subdivided into three categories depending on risk factors: Interest Rate Risk, Foreign Exchange Risk, and Equity Price Risk.

Interest Rate Risk

Interest rate risk is the risk to earnings or capital of the bank arising from movement of interest rates. The movement of interest rates affects bank's reported earnings and capital by changing:

- Net interest income
- The market value of trading accounts (and other instruments accounted for by market value), and
- Other interest sensitive income and expenses

To manage interest rate risk, ALCO regularly monitors various ratios and parameters. Bank deploys several analysis techniques (e.g. Rate Sensitive Gap Analysis, Duration Gap Analysis) to measure interest rate risk, its impact on Net Interest Income and takes insight about course of actions.

Foreign Exchange Risk

Foreign exchange risk is the risk that a Bank's financial performance or position will be affected by fluctuations in the exchange rates between currencies and implied volatility on foreign exchange options. Bank makes import payment and outward remittance as its outflow, whereas it gets foreign currency inflow as export receipts and inward remittance. Exchange rate risk arises, if, on a particular day, these inflow-outflows don't match and bank runs its position long/short from these customer driven activities. Bank also faces foreign exchange risk if it sources its funding in one currency by converting fund from another currency. Currently, the Bank is facing such transaction exposure in foreign currency for its off-shore banking unit. But these transactions exposure is always hedged.

The bank computes VaR (Value at Risk) on its foreign exchange position arising from customer driven foreign exchange transactions on daily basis. The bank maintains various nostro accounts in order to conduct operations in different currencies. The position maintained by the bank at the end of the day is within the stipulated limit prescribed by the Bangladesh Bank.

Operational Risk

Operational Risk Unit under Internal Control & Compliance Division (ICCD) is primarily responsible for risk identification, measurement, monitoring, control, and reporting of operational risk. Internal Control (audit) Unit of ICCD also conducts risk-based audit at departmental and branch level throughout the year. Besides, 'Bank Risk Management Committee' (BRMC) which reports to MD & CEO also plays a supervisory role.

Operational risks are analyzed through review of Departmental Control Function Check List (DCFCL). This is a self-assessment process for detecting high risk areas and finding mitigates of those risks. These DCFCLs are then discussed in monthly meeting of BRMC.

Information and communication technology risk

The bank has a comprehensive IT security policy and procedures which are formally documented and endorsed by competent authority. To prevent attack from cyber criminals/fraudsters IT division (hereinafter IT) has established standard physical & environmental security measures to all sensitive areas e.g. data center, Disaster Recovery (DR) site, power rooms, server rooms etc. IT has standard logical security measures e.g. access card, password protected Server, access log, measuring device logs, yearic testing results, etc. to all core devices i.e. server, PC etc., connecting devices i.e. switch, router etc., security devices i.e. firewall, IDS etc., all applications i.e. core banking system, antivirus, firewall, VPN, utilities etc., databases, networks and others. IT has standard design and practice in network connectivity, access, build-up, configuration, monitoring, maintenance and security. IT has Business Continuity Management (BCM) to support and handle any human made or natural incident/disaster; moreover regular backup schedule and retention avoids the risk of data loss based on the criticality of the system.

Internal audit

The Bank has established an independent internal audit function with the head of Internal Control & Compliance (ICC). The internal audit team performs risk based audit on various business and operational areas of the Bank on continuous basis. The audit committee and the Board regularly reviews the internal audit reports as well as monitor progress of previous findings. However, the Head of Audit being part of internal control & compliance, report to audit committee of the Board and is responsible to audit committee of the Board.

Prevention of fraud

Like any other banks and financial institutions, the bank is also exposed to the inherent risk of fraud and hence implemented a number of anti-fraud controls and procedures specifically designed to prevent and detect any material instances of fraud or irregularities. As per the requirement of Bangladesh Bank regular reporting's are made on self-assessment of various anti-fraud controls as well as any incident of fraud and forgeries that have been identified by the Bank. Regular staff training and awareness programs are taken to ensure that all officers and staff of the Bank are fully aware of various fraud risks in their work area and prepared to deal with it.

3.12 Reconciliation of books and account

All the material events after the reporting year have been considered and appropriate adjustments/ disclosures have been made in the financial statements as per IAS 10 'Events after the Reporting Year'.

3.13 Related party disclosures

A party is related to the company if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

3.14 Compliance of International Financial Reporting Standards (IFRSs)

The Bank has complied the following IASs & IFRSs as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) during the preparation of financial statements as at and for the year ended 31 December 2020.

IAS No.	IAS Title	Compliance Status
1	Presentation of Financial Statements	Complied*
2	Inventories	Not Applicable
7	Statements of cash flows	Complied*
8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
10	Events after the Balance Sheet Date	Complied
11	Construction Contracts	Not Applicable
12	Income Taxes	Complied



IAS No.	IAS Title	Compliance Status
16	Property, Plant and Equipment	Complied
17	Leases	Complied
18	Revenue	Not Applicable
19	Employee Benefits	Complied
20	Accounting for Government Grants and Disclosure of Government Assistance	Not Applicable
21	The Effects of Changes in Foreign Exchange Rates	Complied
23	Borrowing Costs	Complied
24	Related Party Disclosures	Complied
26	Accounting and reporting by retirement benefit plans	Complied
27	Consolidated and Separate Financial Statements	Not Applicable
28	Investments in Associates	Not Applicable
31	Interests in Joint Ventures	Not Applicable
32	Financial Instruments: Presentation	Complied*
33	Earnings Per Share	Complied
34	Interim Financial Reporting	Complied
36	Impairments of Assets	Complied
37	Provisions, Contingent Liabilities and Contingent Assets	Complied
38	Intangible Assets	Complied
39	Financial Instruments: Recognition and Measurement	Not Applicable
40	Investment property	Not Applicable
41	Agriculture	Not Applicable

IFRS No.	IFRS Title	Compliance Status
1	First-time adoption of International Financial Reporting Standards	Not applicable
2	Share based Payment	Not applicable
3	Business Combinations	Not applicable
4	Insurance Contracts	Not applicable
5	Non-current Assets Held for Sale and Discontinued Operations	Not applicable
6	Exploration for and Evaluation of Mineral Resources	Not applicable
7	Financial Instruments: Disclosures	Complied*
8	Operating Segments	Not applicable
10	Consolidated Financial Statements	Not applicable
11	Joint Arrangements	Not applicable
12	Disclosure of interests in other entities	Not applicable
13	Fair Value Measurement	Complied

IFRS No.	IFRS Title	Compliance Status
15	Revenue from contracts with customers	Complied
16	Leases	Not Complied

* Subject to departure disclosed in note no. 2.1

* In order to comply with certain specific rules and regulations of the Central Bank (Bangladesh Bank) which are different from IFRSs, some of the requirements specified in these IASs /IFRSs are not applied.

3.15 New accounting standards not yet adopted

The Bank has consistently applied the accounting policies as set out in Note 3 to all periods presented in these financial statements. The various amendments to standards, including any consequential amendments to other standards, with the date of initial application of 1 January 2019 have been considered. However, these amendments have no material impact on the financial statements of the Bank.

In December 2017, ICAB vide letter 1/1/ICAB-2017 decided to adopt IFRS replacing BFRS effective for annual periods beginning on or after 1 January 2018. However, since issued BFRS have been adopted from IFRS without any major modification, such changes would not have any material impact on these financial statements.

A number of standards and amendments to standards are effective for annual periods beginning on or after 1 January 2020 and earlier application is permitted. However, the Bank has not early applied the following new standards in preparing these financial statements.

(a) IFRS 17 Insurance contract

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2021. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. The Bank has not yet assessed in potential impact of IFRS 17 on its financial statements.

3.16 IFRS 16 Leases

IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an off balance sheet item. However, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item (except some limited exception i.e. short-term lease, leases for low value items).

Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service center, call center, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease term replacing the previous heading 'lease rent expenses'.

As per the preliminary assessment of leases for 'office premises', the Bank has concluded that the potential impact of these lease items in the Balance Sheet and Profit and Loss Account of the Bank for the year 2020 is not considered to be material. Therefore, considering the above implementation issues the Bank has not taken IFRS 16 adjustments on the basis of overall materiality as specified in the materiality guidance in the 'Conceptual Framework for Financial Reporting' and in 'International Accounting Standard 1 'Presentation of Financial Statements'. However, the Bank would continue to liaison with regulators and related stakeholders and observe the market practice for uniformity and comparability, and take necessary actions in line with regulatory guidelines and market practice.

3.17 Approval of financial statements

The financial statements were reviewed by the Audit Committee of the Board of the Bank in its 41st meeting held on 26th April, 2021 and was subsequently approved by the Board in its 119th meeting held on 3rd June, 2021



	31.12.2020 Taka	31.12.2019 Taka
4 Cash		
Cash in hand (including foreign currencies) (Note-4.1)	739,719,284	777,432,737
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies) (Note-4.2)	2,400,394,244	2,393,450,870
	3,140,113,528	3,170,883,607
4.1 Cash in hand (including foreign currencies)		
Local currency	698,891,811	744,246,275
Foreign currencies	40,827,473	33,186,462
	739,719,284	777,432,737
4.2 Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)		
Local currency	2,360,511,959	2,362,368,800
Foreign currencies	39,882,285	31,082,070
	2,400,394,244	2,393,450,870
4.a Cash Reserve Ratio (CRR)		
As per section 33 of Bank Company Act, 1991 (amended upto 2018) & MPD circular no. 03 dated 09 April 2020, issued by Bangladesh bank with effect from 15 April 2020, the Bank has maintained CRR of minimum 3.50% on daily basis and 4.0% on bi-weekly basis on weekly average total demand and time liabilities (ATDTL) of the base month which is two months back of reporting month (i.e. CRR of December 2020 is based on weekly average balance of October 2020). Reserve maintained by the bank as at 31 December are as follows:		
Average total demand and time liabilities of October 2020	42,900,321,669	40,593,654,504
Daily basis		
Required reserve (3.50%)	1,501,511,258	2,029,682,725
Actual reserve held (5.70%)	2,443,864,862	2,301,533,596
Surplus / (deficit)	942,353,604	271,850,871
Bi-weekly basis:		
The bank maintained excess cash reserve of Tk.2,679,987,782.32 /- (Tk. 399,726,355.92/- was in 2019) against 4% (of ATDTL) on bi-weekly basis which is the summation of excess cash reserve maintained over required in the last fortnight (bi-week) of 2020.		
4.b Statutory Liquidity Ratio (SLR)		
As per section 33 of the Bank Company Act, 1991 (amended upto 2018) & MPD circular no. 02 dated 10 December 2013 issued by Bangladesh bank with effect from 01 February 2014, the bank has maintained SLR of minimum 13% based on weekly average total demand and time liabilities (ATDTL) of the base month which is two months back of the reporting month (i.e. SLR of December 2020 is based on weekly average balance of October 2020). Reserve maintained by the bank as at 31 December are as follows:		
Required reserve (13% of ATDTL)	5,577,041,817	5,277,175,086
Actual reserve held (17.97% of ATDTL)) (Note-4.c)	7,631,611,390	7,608,515,169
Surplus / (deficit)	2,054,569,573	2,331,340,083

	31.12.2020 Taka	31.12.2019 Taka
4.c Actual reserve held		
Cash in hand	739,719,284	777,432,737
Excess reserve on CRR	727,851,996	68,882,599
Balance with Sonali Bank (local Currency)	84,782,013	58,925,285
Unencumbered approved securities (HFT)	1,949,720,992	1,936,474,943
Unencumbered approved securities (HTM)	4,129,151,606	4,766,183,405
Unencumbered approved securities (other eligible)	385,500	616,200
	7,631,611,390	7,608,515,169
4.d Maturity grouping of cash		
On demand	3,140,113,528	3,170,883,607
In more than one month but not more than three months	-	-
In more than three months but not more than one year	-	-
In more than one year but not more than five years	-	-
More than 5 years	-	-
	3,140,113,528	3,170,883,607
5 Balance with other banks and financial institutions		
In Bangladesh	3,068,091,239	1,859,573,354
Outside Bangladesh	99,568,355	158,722,315
	3,167,659,594	2,018,295,669
5.1 In Bangladesh		
In Current Accounts with		
Trust Bank Limited	8,228	21,493
Brac Bank Limited	1,902,221	1,793,264
Pubali Bank Limited	-	7,965
Agrani Bank Limited, Zajira Branch	1,777,155	4,599,040
Janata Bank Limited	849,959,310	-
Eastern Bank Limited	51,758,524	48,851,591
	905,405,438	55,273,354
In Mobile Banking Accounts with		
bKash Limited	1,285,801	-
	1,285,801	-
In Fixed Deposit Accounts with banks and NBFIs		
With banks		
Modhumoti Bank Limited	-	339,600,000
Meghna Bank Limited	200,000,000	-
	200,000,000	339,600,000



	31.12.2020 Taka	31.12.2019 Taka
With financial institutions:		
International Leasing & Financial Services Limited	148,800,000	151,300,000
Prime Finance & Investment Limited	42,500,000	51,500,000
National Finance Limited	50,000,000	80,000,000
GSP Finance Company (Bangladesh) Limited	285,000,000	290,800,000
IPDC Finance Limited	650,000,000	-
Reliance Finance Limited	130,000,000	197,000,000
Lanka Bangla Finance Limited	430,000,000	350,000,000
Bangladesh Finance & Investment Co Limited	103,000,000	122,500,000
Fareast Finance & Investment Limited	122,100,000	121,600,000
Uttara Finance and Investments Limited	-	100,000,000
	1,961,400,000	1,464,700,000
	3,068,091,239	1,859,573,354

5.2 Outside Bangladesh (NOSTRO Accounts)

Current Deposits

Habib American Bank, New York	11,870,028	37,974,646
United Bank of India	6,425,395	6,983,292
United Bank of India	3,948,012	742,992
Mizhuo Bank Limited, Japan	38,975	608,876
Mashreq Bank PSC, New York	67,775,051	87,374,069
Mashreq Bank PSC, UK	-	5,540,563
Aktif Bank, Turkey	2,844,560	10,346,634
AB Bank Limited, Mumbai	4,186,150	6,680,617
National Commercial Bank	2,480,183	2,470,626
	99,568,355	158,722,315

(Details are given in Annexure- B)

5.a Maturity grouping of balance with other banks and financial institutions

On demand	2,467,659,594	1,859,573,354
In more than one month but not more than three months	700,000,000	158,722,315
In more than three months but not more than one year	-	-
In more than one year but not more than five years	-	-
More than 5 years	-	-
	3,167,659,594	2,018,295,669

6 Investments

Government (Note-6.1)	6,079,258,097	6,703,274,548
Others (Note-6.2)	1,586,126,625	1,553,495,680
	7,665,384,722	8,256,770,228

	31.12.2020 Taka	31.12.2019 Taka	
6.a Investments classified as per Bangladesh Bank Circular:			
Held for trading (HFT)	1,949,720,992	1,936,474,943	
Held to maturity (HTM)	4,129,151,606	4,766,183,405	
Other securities	1,586,512,125	1,554,111,880	
	7,665,384,722	8,256,770,228	
6.1 Government (Investment in govt. securities)			
Treasury bills (Note-6.1.1)	733,697,874	1,911,066,705	
Treasury bonds (Note-6.1.2)	5,345,174,723	4,791,591,643	
Prize Bonds	385,500	616,200	
	6,079,258,097	6,703,274,548	
6.1.1 Treasury bills			
Unencumbered			
14 days treasury bills	-	249,288,450	
91 days treasury bills	-	248,574,744	
182 days treasury bills	269,935,812	1,136,742,301	
364 days treasury bills	463,762,062	276,461,210	
	733,697,874	1,911,066,705	
6.1.2 Treasury bonds			
Unencumbered			
2 years treasury bond	698,019,810	251,979,376	
5 years treasury bond	685,623,791	523,334,325	
10 years treasury bond	1,148,431,911	748,109,832	
15 years treasury bond	1,282,122,922	1,194,855,651	
20 years treasury bond	1,530,976,290	2,073,312,459	
	5,345,174,723	4,791,591,643	
6.1.3 (i) Disclosure regarding outstanding repo as on 31 December 2020			
Counter party name	Agreement Date	Reversal Data	Amount in Taka
Janata Bank Limited	30/12/2020	03/01/2021	1,179,904,096
Agrani Bank Limited	30/12/2020	04/01/2021	351,334,348
(ii) Disclosure regarding outstanding reverse repo as on 31 December 2020			
Counter party name	Agreement Date	Reversal Data	Amount in Taka
Lankabangla Finance Limited	30/12/2020	06/01/2021	33,867,932



		31.12.2020 Taka	31.12.2019 Taka
(iii) Disclosure regarding overall transaction of Repo and Reverse repo			
Counter party name	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo:			
With Bangladesh Bank	85,000,000	2,708,410,907	382,556,780
With other Banks & Financial Institutions	148,445,400	1,531,238,444	126,656,773
Securities purchased under reverse repo:			
With Bangladesh Bank	-	-	-
With other Banks & Financial Institutions	33,465,121	1,867,339,150	131,849,795

6.b Investments classified as per Bangladesh Bank Circular:

Held for Trading (HFT)

HFT T-Bills 14 Days	-	249,288,450
HFT T-Bills 91 Days	-	248,574,744
HFT T-Bills 182 Days	269,935,812	1,136,742,301
HFT T-Bills 364 Days	463,762,062	276,461,210
2 Years BGTB – HFT	206,448,420	-
5 Years BGTB – HFT	286,008,282	198,886
10 Years BGTB – HFT	585,433,402	-
15 Years BGTB – HFT	138,133,014	25,209,352
20 Years BGTB – HFT	-	-
	1,949,720,992	1,936,474,943

Held to Maturity (HTM)

HTM T-Bills 91 Days	-	-
HTM T-Bills 182 Days	-	-
HTM T-Bills 364 Days	-	-
2 Years BGTB – HTM	491,571,390	251,979,376
5 Years BGTB – HTM	399,615,509	523,135,440
10 Years BGTB – HTM	562,998,509	748,109,832
15 Years BGTB – HTM	1,143,989,908	1,169,646,299
20 Years BGTB – HTM	1,530,976,290	2,073,312,459
	4,129,151,606	4,766,183,405
	6,078,872,597	6,702,658,348

As per DOS Circular NO. 01 dated 19 January 2014, the maximum limit of holding approved Securities under Held to Maturity (HTM) is 125% of SLR for all primary dealer banks and NRB Bank Limited has invested in Treasury bonds under HTM category as per said circular.

	31.12.2020 Taka	31.12.2019 Taka
6.2 Others		
Corporate bonds (Note-6.2.1)	340,000,000	80,000,000
Ordinary Shares and Mutual Funds (Note-6.2.2)	898,602,382	849,010,830
Preference Share (Note-6.2.3)	277,924,243	333,484,850
Commercial Paper (Note-6.2.4)	69,600,000	291,000,000
	1,586,126,625	1,553,495,680
6.2.1 Corporate bonds		
Mercantile Bank Limited	40,000,000	80,000,000
United Commercial Bank Limited	300,000,000	-
	340,000,000	80,000,000
6.2.2 Ordinary Shares and Mutual Funds		
Quoted Shares		
General Portfolio (A)		
Active Fine Chemicals Limited	9,735,840	9,735,840
BRAC Bank Limited	4,950,882	2,958,155
Heidelberg Cement Bangladesh Limited	43,459,370	43,459,370
MJL Bangladesh Limited	97,181,052	97,181,052
ACI Limited	9,308,251	11,921,697
Grameenphone Limited	50,313,173	50,313,173
Premier Bank Limited	4,579,140	4,579,140
Prime Bank Limited	7,434,880	7,434,880
Olympic industries Limited	25,436,724	18,283,517
Singer Bangladesh Limited	39,358,131	34,159,688
BBS Cables Limited	14,762,927	10,737,883
Esquire Knit Composite Limited	940,050	940,050
Runner Automobiles Limited	1,156,998	540,450
Sea Pearl Beach Resort & Spa Limited	37,300	37,300
Coppertech Industries Limited	47,410	47,410
Mutual Trust Bank Limited	336,805	336,805
Ring Shine Textiles Limited	2,010,600	2,010,600
Meghna Petroleum Limited	20,194,338	12,985,348
Robi Axiata Limited	2,712,530	-
Crystal Insurance Company Limited	108,790	-
Dominage Steel Building Systems Limited	248,130	-
Square Pharmaceuticals Limited	-	178,650
Aman Cotton Fibrous Limited	-	313,840
Barka Power Limited	-	3,218,930



	31.12.2020 Taka	31.12.2019 Taka
SS Steels Limited	-	33,730
Genex Infosys Limited	-	26,170
Newline Clothings Limited	-	75,130
Silco Pharmaceuticals Limited	-	72,930
IDLC Finance Limited	-	11,394,848
	334,313,321	322,976,587
Mutual Funds (B)		
AIBL 1st Islamic Mutual Fund	86,904,179	86,991,170
Grameen One : Scheme Two Mutual Fund	129,418,186	197,362,733
Peninsula Balanced Fund	10,000,000	-
LR Global Bangladesh Mutual Fund One	66,965,638	50,093,521
MBL 1st Mutual Fund	53,153,879	53,153,879
Southeast Bank 1st Mutual Fund	30,418,658	13,373,408
Ashuganj Power Station Company Limited Bond	10,000,000	-
IBBL Mudaraba Perpetual Bond	17,188,447	17,188,447
Reliance One: The 1st Scheme of Reliance Insurance Mutual Fund	-	59,263,505
	404,048,988	477,426,664
Sub-Total (A+B)	738,362,309	800,403,251
(Details are given in Annexure- C)		
Special Purpose Fund Portfolio		
Bank Asia Limited	9,248,460	-
Golden Harvest Agro Industries Limited	16,739,429	-
Linde Bangladesh Limited	12,548,422	-
National Polymer Industries Limited	9,232,685	-
Paramount Textile Limited	5,451,475	-
Renata Limited	7,288,285	-
Summit Power Limited	39,665,560	-
	100,174,316	-
IPO Application		
APSCLBOND	-	10,000,000
ADN Telecom Limited	-	569,070
	-	10,569,070
Equity Investment		
Central Counterparty Bangladesh Limited	37,500,000	37,500,000
	37,500,000	37,500,000
Free fund available	22,565,758	538,509
	898,602,382	849,010,830

	31.12.2020 Taka	31.12.2019 Taka
6.2.3 Preference Share		
Union Capital Limited	8,000,000	10,000,000
Ace Alliance Power Limited	45,833,333	55,000,000
Doreen Power House & Technologies limited	70,000,000	70,000,000
Raj Lanka Power Company Limited	29,090,910	48,484,850
Summit Gazipur II Power Limited	40,000,000	50,000,000
Kushiara Power Company Limited	85,000,000	100,000,000
	277,924,243	333,484,850
6.2.4 Commercial Paper		
Energypac Engineering Limited	-	200,000,000
Hashem Food Limited	69,600,000	91,000,000
	69,600,000	291,000,000
6.b Remaining maturity grouping of investments		
On demand	110,579,990	448,636,778
In more than one month but not more than three months	582,947,549	322,226,416
In more than three months but not more than one year	1,686,923,554	2,338,898,076
In more than one year but not more than five years	1,382,212,893	1,576,065,414
In more than five years	3,902,720,736	3,570,943,544
	7,665,384,722	8,256,770,228
7 Loans and advances		
Loans, cash credit, overdrafts etc. (Note-7.1)	38,792,949,133	38,813,955,679
Bills purchased and discounted (Note-7.2)	55,621,257	118,362,299
	38,848,570,390	38,932,317,978
7.1 Loans, cash credits, overdrafts etc.		
Inside Bangladesh		
Loans - General	29,659,062,265	29,502,086,850
Cash credit	-	-
Overdraft	8,859,874,903	8,956,086,336
Staff Loan	274,011,965	355,782,493
	38,792,949,133	38,813,955,679
Outside Bangladesh	-	-
	38,792,949,133	38,813,955,679



	31.12.2020 Taka	31.12.2019 Taka
7.2 Bills purchased and discounted		
Inside Bangladesh		
Local bills /documents	41,911,590	113,398,018
Foreign bills /documents	13,709,667	4,964,281
	55,621,257	118,362,299
7.2 a Residual maturity grouping of Bills purchased & discounted		
On demand	25,139,012	52,001,252
In more than one month but not more than three months	13,141,363	46,444,770
In more than three months but not more than one year	3,631,215	19,916,276
In more than one year but not more than five years	-	-
In more than five years	-	-
	41,911,590	118,362,299
7.2.b Residual maturity grouping of loans and advances including Bills Purchased & Discounted		
On demand	10,980,436,339	6,830,268,197
In more than one month but not more than three months	2,731,148,893	5,238,272,131
In more than three months but not more than one year	9,441,179,878	11,781,825,420
In more than one year but not more than five years	11,464,814,091	11,669,740,681
In more than five years	4,230,991,189	3,412,211,548
	38,848,570,390	38,932,317,978
7.3 Loans and advances on the basis of significant concentration		
7.3.1 Loans and advances to Directors, executives and others		
Advance to Directors and their allied concerns	-	-
Advances to CEO & Managing Director	-	22,855,091
Advances to Other executives and staffs	274,011,965	332,927,402
Advances to Customers	22,752,855,070	14,382,014,869
Industrial loans and advances	15,821,703,355	24,194,520,616
	38,848,570,390	38,932,317,978
7.3.2 Details of Large loan		
Number of clients with amount of outstanding and classified loans and advances exceeding 10% of total capital of the Bank. Total capital of the Bank was Taka 6,013.17 million as at 31 December 2020.		
Number of the clients	36	41
Amount of outstanding loans and advances	14,528,855,098	14,779,265,184
Amount of classified loans and advances	-	-
	14,528,855,098	14,779,265,184

	31.12.2020 Taka	31.12.2019 Taka
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7.3.3 Industry-wise concentration of loans and advances

Agriculture	481,157,447	366,193,181
Food & allied industries	1,338,990,102	1,425,975,052
Tobacco	-	-
Readymade garments	2,006,095,214	1,728,599,628
Textiles	2,232,790,160	2,884,571,281
Ship breaking & ship building	813,632,347	811,692,837
Basic metal & steel engineering	858,075,130	1,209,610,191
Non-metallic mineral products	837,689,134	386,285,833
Pharmaceuticals industry	179,267,292	410,386,222
Chemical & chemical products	48,275,699	52,059,226
Rubber & plastic industries	720,659,342	930,935,122
Leather & leather products	645,078,995	500,999,090
Wood, furniture & fixtures	212,376,508	247,671,234
Paper & paper products	177,870,155	183,750,598
Electronic goods & machineries	1,965,906,644	1,863,257,734
Power & gas	1,192,318,080	869,979,407
Other manufacturing industries	2,592,678,553	2,422,407,973
Construction & commercial real estate	6,238,515,403	5,971,350,695
Transport & communication	119,975,227	94,573,854
IT & telecommunication	948,106,001	957,324,888
Medical services	14,888,032	15,076,224
Hotel & restaurant services	408,986	3,968,209
Printing & publishing industries	44,262,005	74,984,797
Other service industries	1,128,133,241	1,149,060,520
NBFIs	567,541,404	530,832,852
Trade & commerce	6,137,527,439	6,455,141,630
Consumer credit	3,202,652,826	3,612,776,789
Credit card	1,923,310,921	1,690,257,979
Staff loan	274,011,965	355,782,493
Others	1,946,376,139	1,726,812,439
	38,848,570,390	38,932,317,978

7.3.4 Sector - wise concentration of loans and advances

Government sector	-	-
Public sector	-	-
Private sector	38,848,570,390	38,932,317,978
	38,848,570,390	38,932,317,978



	31.12.2020 Taka	31.12.2019 Taka
7.3.5 Business segment - wise concentration of loans and advances		
Corporate	21,269,540,616	21,680,914,417
SME	13,437,278,281	13,094,515,397
Consumer	3,867,739,527	3,801,105,670
Executives and staff	274,011,965	355,782,493
	38,848,570,390	38,932,317,978
7.3.6 Geographical location-wise concentration of loans and advances		
Inside Bangladesh		
Dhaka Division	28,092,312,325	27,321,304,674
Chittagong Division	6,492,682,502	6,663,159,313
Sylhet Division	1,223,515,997	1,256,512,885
Rajshahi Division	1,041,391,232	906,694,394
Khulna Division	1,459,355,371	1,651,946,936
Barisal Division	-	-
Rangpur Division	-	13,388,600
Mymensingh Division	539,312,963	1,119,311,176
	38,848,570,390	38,932,317,978
Outside Bangladesh	-	-
	38,848,570,390	38,932,317,978
7.3.7 Security/Collateral-wise concentration of loans and advances		
Collateral of movable/immovable assets	23,030,598,230	21,529,164,585
Fixed deposit receipts	3,077,501,997	8,006,468,885
FDR of other banks	271,497,159	260,435,289
Personal guarantee	10,565,885,995	7,010,658,042
Other securities	1,903,087,009	2,125,591,177
	38,848,570,390	38,932,317,978
7.3.8 Classified and unclassified bad loans & advances		
Unclassified		
Standard (Including Staff Loan)	37,136,010,530	36,383,680,217
Special Mention Accounts (SMA)	269,534,952	937,608,490
	37,405,545,482	37,321,288,707
Classified		
Sub-standard	313,817,620	361,103,854
Doubtful	103,064,641	21,549,640
Bad/Loss	1,026,142,646	1,228,375,777
	1,443,024,908	1,611,029,271
	38,848,570,390	38,932,317,978

	31.12.2020 Taka	31.12.2019 Taka
7.3.9 Particulars of required provision for loans and advances		
General Provision on unclassified loans and advances		
Loans (excluding SMA)	305,797,251	338,753,886
Special mansion account (SMA)	2,258,398	9,296,932
Special general provision (COVID-19)	133,699,364	-
Required provision on unclassified loans and advances	441,755,014	348,050,818
Total provision maintained for unclassified loans and advances	441,755,014	348,050,818
Excess/(shortage) of provision	-	-
Specific provision on classified loans and advances		
Sub-standard	24,894,948	43,749,022
Doubtful	20,975,220	8,398,922
Bad/Loss	774,669,819	935,223,543
Required provision on classified loans and advances	820,539,986	987,371,488
Total provision maintained for classified loans and advances	820,539,986	1,109,513,256
Excess/(shortage) of provision	-	122,141,768
Total Required provision for loans and advances	1,262,295,000	1,335,422,307
Total provision maintained for loans and advances	1,262,295,000	1,457,564,075
Total Excess/(shortage) of provision	-	122,141,768
7.3.10 Particulars of loans and advances		
i) Loans considered good in respect of which the bank is fully secured	2,187,956,305	2,617,204,155
ii) Loans considered good against which the bank holds no security other than the debtors' personal guarantee	10,859,204,125	1,603,817,999
iii) "Loans considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor"	1,195,968,025	1,297,397,837
iv) Loans adversely classified; provision not maintained there against	-	-
	14,243,128,454	5,518,419,990
v) Loans due by directors or officers of the bank or any of them either separately or jointly with any other persons	274,011,965	355,782,493
vi) Loans due from companies or firms in which the directors or officers of the bank have interest as directors, partners or managing agents or in case of private companies, as members	-	-
vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the bank or any of them either separately or jointly with any other person.	337,278,006	363,401,525



	31.12.2020 Taka	31.12.2019 Taka
viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or in the case of private companies, as members.	-	28,287,087
ix) Due from banking companies	-	-
x) "Amount of classified loans on which interest has not been charged mentioned as follows:"		
a. (Decrease)/increase of provision (specific)	(282,695,493)	787,358,040
Amount of loan written off	-	-
Amount realized against the loans previously written off		
b. Provision kept against loans classified as bad debts	774,669,819	1,057,365,311
c. Interest credited to interest suspense account	341,760,721	186,423,673
xi) Cumulative amount of written off loans		
Opening Balance	-	-
Amount written off during the year	-	-
Closing Balance	-	-
The amount of written off loans for which law suit has been filed	-	-

8 Fixed assets including premises, furniture and fixtures

Cost:

Computer and Network Equipment	175,544,556	166,201,856
Furniture and fixtures	384,500,794	366,309,649
Vehicle	52,358,282	62,127,511
Machinery and Equipment	185,172,505	173,540,589
Mobile Phone	2,314,322	2,088,159
Software	180,285,856	177,990,856
Patents	-	-
	980,176,316	948,258,621
Less: Accumulated depreciation	595,237,568	499,341,553
Written down value at the end of the year	384,938,747	448,917,068

(Details are given in **Annexure- A**)

9 Other assets

Income generating

Income receivable (Note-9.1)	139,327,086	103,014,445
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	31.12.2020 Taka	31.12.2019 Taka
Non-income generating		
Stationery, stamps, printing materials, etc.	1,613,825	1,166,910
Prepaid expenses	5,453,844	10,889,785
Advance rent	147,832,462	173,501,875
Security deposits with other entities	2,165,212	965,212
Advance income tax	907,288,139	564,345,083
Deferred Tax Assets (net of liabilities)	330,865,325	413,672,651
Advances to vendors	3,311,124	10,517,948
Advances to staff for expenses	1,140,464	1,724,518
Dividend Receivable	17,922,576	17,987,226
Q-Cash and ATM receivable	3,477,163	2,777,663
Receivable against Sanchaypatra & Bond Encashment	57,711,063	249,418,633
Sundry receivables	3,210,457	487,858
	1,621,318,738	1,550,469,807
9.1 Income receivable:		
Interest receivables on Placements	36,339,675	16,013,786
Interest receivables on Government Securities	93,756,240	81,193,380
Interest receivables on Non-government Securities	6,165,333	5,629,795
Interest receivables on Loans & Advances	-	-
Interest Receivables on Other Bank Balance	3,065,837	177,484
	139,327,086	103,014,445
9.2 Advance income tax		
Opening balance	564,345,083	355,575,880
Add: Addition during the year	342,943,056	208,769,203
	907,288,139	564,345,083
Less: Adjustment against provision	-	-
Closing balance	907,288,139	564,345,083
10 Borrowings from other banks, financial institutions and agents		
Inside Bangladesh (Note-10.a)	3,642,983,144	3,733,884,914
Outside Bangladesh	-	-
	3,642,983,144	3,733,884,914



	31.12.2020 Taka	31.12.2019 Taka
10.a In Bangladesh		
Demand Borrowing		
Janata Bank Limited	-	150,000,000
Sonali Bank Limited	100,000,000	500,000,000
Uttara Bank Limited	-	450,000,000
UCBL	-	354,900,000
Eastern Bank Limited	-	169,800,000
Bank Asia Limited	-	300,000,000
Meghna Bank Limited	-	150,000,000
Bangladesh Bank	41,128,163	186,443,372
	141,128,163	2,261,143,372
Term Borrowing		
Agrani Bank Limited	500,000,000	-
Bank asia Limited	300,000,000	-
Uttara Bank Limited	800,000,000	500,000,000
Mutual Trust Bank Limited	200,000,000	-
Rupali Bank Limited	600,000,000	-
Eastern Bank Limited	-	200,000,000
SME Foundation	-	1,965,000
Bangladesh Bank	1,101,854,981	770,776,542
	3,501,854,981	1,472,741,542
	3,642,983,144	3,733,884,914
10.b Residual maturity grouping of borrowings from other banks, financial institutions and agents		
On demand		
In more than one month but not more than three months	1,441,128,163	2,961,143,372
In more than three months but not more than one year	1,308,931,161	368,294,392
In more than one year but not more than five years	817,297,890	235,343,016
In more than five years	75,625,930	92,165,359
	-	76,938,775
	3,642,983,144	3,733,884,914
11 Deposits and other accounts		
Current deposits and other accounts, etc. (Note-11.1)	9,887,349,818	8,835,535,861
Bills payable (Note-11.2)	316,811,897	200,730,379
Savings bank deposits (Note-11.3)	3,831,217,604	3,315,135,398
Fixed deposits (Note-11.4)	27,795,604,119	29,458,451,378

	31.12.2020 Taka	31.12.2019 Taka
Bearer certificates of deposit	-	-
Other Deposits	-	-
	41,830,983,438	41,809,853,016
11.1 Current deposits and other accounts, etc.		
Current accounts	9,060,135,970	7,890,441,940
Foreign currency deposits	171,198,864	152,744,997
Deposit margin on facilities	656,014,984	792,348,924
	9,887,349,818	8,835,535,861
11.2 Bills payable		
Local currency	316,811,897	200,730,379
Foreign currencies	-	-
	316,811,897	200,730,379
11.3 Savings bank deposits		
NRB savers	1,530,252,724	1,245,322,147
NRB power savers	985,189,458	1,060,553,923
NRB staff	25,060,710	42,377,913
NRB my savings	414,853,550	309,905,091
NRB my study	9,003,943	8,011,860
NRB my salary	115,794,127	84,439,561
NRB my early	30,241,971	24,614,477
NRB pearl	526,647,214	464,024,694
NRB amar shopno	2,105,221	1,198,377
NRB isavings	756	756
Bondhu Shasroy Account	146,453,597	59,058,076
Bondhu Sonchita Account	44,306,090	15,061,186
Bondhu Student Account	1,308,244	567,337
	3,831,217,604	3,315,135,398
11.4 Fixed deposits		
Fixed deposits	23,300,319,411	26,021,420,382
Short term deposits	4,495,284,708	3,437,030,997
	27,795,604,119	29,458,451,379
11.5 Sector-wise break-up of deposits and other accounts		
Government	1,048,447,163	812,388,403
Other public sector	7,243,282,030	11,178,743,253



	31.12.2020 Taka	31.12.2019 Taka
Private sector	33,539,254,245	29,818,721,360
	41,830,983,438	41,809,853,016

11.6 Maturity-wise grouping of deposits and other accounts

Other than inter-bank deposits	41,626,062,132	41,805,651,417
Inter-bank deposits	204,921,306	4,201,599
	41,830,983,438	41,809,853,016

11.6.1 Details of inter-bank deposits

In Current Deposit Account

Trust Bank Limited	2,478,042	317,290
Southeast Bank Limited	235,611	-
Jamuna Bank Limited	468,674	183,971
Premier Bank Limited	510,974	672,918
Mercantile Bank Limited	1,228,005	3,027,420
	4,921,306	4,201,599

In Fixed Deposit Account

NCC Bank Limited	200,000,000	-
	200,000,000	-
	204,921,306	4,201,599

11.7 Maturity-wise grouping of deposits and other accounts

On demand	4,766,798,642	5,985,554,032
In more than one month but not more than three months	6,449,822,756	9,570,629,762
In more than three months but not more than one year	24,386,199,436	21,271,164,731
In more than one year but not more than five years	3,344,934,303	2,348,873,977
In more than five years	2,883,228,301	2,633,630,514
	41,830,983,438	41,809,853,016

12 Other liabilities

Privileged creditors (Note-12.1)	131,273,997	106,250,350
Interest payable	532,551,343	806,821,571
Interest suspense account (Note-12.2)	341,760,721	186,423,673
Provision for loans and advances (Note-12.3)	1,262,295,000	1,457,564,075
Provision for off-balance sheet exposures (Note-12.4)	102,571,227	136,274,389
Provision for diminution of quoted shares (Note-12.5)	73,545,791	139,504,988
Provision for other assets	127,088,955	439,000
Provision for expenses	18,824,638	47,552,999
Provision for current tax (Note-12.6)	1,202,242,642	1,007,047,150

	31.12.2020 Taka	31.12.2019 Taka
Provision for start-up fund	9,497,270	-
Q-Cash & ATM payable	24,321,279	23,842,826
Security deposits held	5,305,905	8,466,650
Sanchayapatra payable	15,350,000	2,400,000
Payable against BEFTN	1,181,806	3,251,779
Advance Lease Rental Payable	40,558,134	18,322,584
Deposit Awaiting Disposal (DAD)	47,795,957	55,034,598
Suspense Account - Trade	32,029,700	25,279,185
Interest Subsidy-COVID-19	57,759,000	-
Miscellaneous payable	59,798,997	27,060,517
	4,085,752,364	4,051,536,334

12.1 Privileged creditors

Three major categories of government dues are reported. Tax deduction at source, VAT and Excise duty payable to govt. exchequer.

Tax deduction at source	45,843,656	55,394,817
VAT deduction at source	10,888,414	10,023,630
Excise duty	74,541,927	40,831,904
	131,273,997	106,250,350

12.2 Interest suspense account

Opening balance	186,423,673	141,902,993
Add: Amount transferred to "Interest Suspense" A/c during the year	162,471,773	91,820,591
	348,895,446	233,723,584
Less: Amount recovered from "Interest Suspense" A/c during the year	7,134,725	47,299,911
	341,760,721	186,423,673

12.3 Provision for loans and advances

A. General		
Balance at the beginning of the year	348,050,818	272,963,747
Add: Provision made/(released) during the year		
On general loans and advances	(32,712,426)	82,498,913
On Special Mention Account (SMA)	(7,038,534)	(7,411,842)
Special general provision (COVID-19)	133,699,364	-
	93,948,404	75,087,071
Less : Provision reversed due to loan settlement	(244,209)	-
	93,704,196	75,087,071
Balance at the end of the year	441,755,014	348,050,818
B. Specific		

	31.12.2020 Taka	31.12.2019 Taka
Balance at the beginning of the year	1,109,513,256	295,436,329
Add: Provision made/(released) during the year	(129,777,502)	814,076,927
	979,735,754	1,109,513,256
Less : Provision reversed due to loan settlement	(159,195,768)	-
Balance at the end of the year	820,539,986	1,109,513,256
C. Total provision on loans and advances (A+B)	1,262,295,000	1,457,564,075

12.4 Provision on off-balance sheet exposures

Opening balance	136,274,389	107,672,527
Add: Provision made during the year	(33,703,162)	28,601,862
	102,571,227	136,274,389

12.5 Provision for diminution of quoted shares

Opening balance	139,504,988	38,650,420
Add: Provision made during the year	(65,959,197)	100,854,567
	73,545,791	139,504,988

12.6 Provision for current tax

Opening balance	1,007,047,150	667,001,719
Add: Provision made during the year	195,195,492	340,045,431
	1,202,242,642	1,007,047,150

12.a Nostro Reconciliation

	As Per Our Book		As per Their Book	
	Debit (USD)	Credit (USD)	Debit (USD)	Credit (USD)
Up to three months	157,723	183,997	1,752,987	1,334,351
More than three months but less than six months	-	-	-	11,483
More than six months but less than nine months	-	-	-	35
More than nine months but less than twelve months	-	-	-	4,301
More than twelve months	-	-	-	-
	157,723	183,997	1,752,987	1,350,170

The Bank is not required to make provision regarding the unreconciled debit balance as at balance sheet date since there was no debit entry aging more than three months.

13 Share capital

13.1 Authorized capital

1,000,000,000 ordinary shares of Taka 10 each	10,000,000,000	10,000,000,000
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	31.12.2020 Taka	31.12.2019 Taka
13.2 Issued, subscribed and fully paid up capital		
466,560,000 ordinary shares of Taka 10 each issued for cash	4,665,600,000	4,665,600,000

13.3 Percentage of shareholdings

Particulars	2020		2019	
	Value of Share	% of Holding	Value of Share	% of Holding
Shareholders' Group				
Directors	2,307,314,470	49.45	2,231,236,800	47.82
Sponsor Shareholders	1,380,446,000	29.59	1,510,382,000	32.37
General Shareholders	977,839,530	20.96	923,981,200	19.80
Total	4,665,600,000	100.00	4,665,600,000	100.00

13.4 Name of the Directors and their shareholdings as at 31 December

SL	Name of the directors	Designation	2020		2019	
			% of Shareholding	Number of Shares	% of Shareholding	Number of Shares
1	Mr. Mohammed Mahtabur Rahman	Chairman	3.46%	16,160,000	5.00%	23,328,000
2	Mr. Tateyama Kabir	Vice Chairman	3.13%	14,580,000	3.13%	14,580,000
3	Mr. Mohammed Jamil Iqbal	Vice Chairman	4.63%	21,578,400	4.63%	21,578,400
4	Mr. Khandakar R. Amin	Director	2.00%	9,331,200	2.00%	9,331,200
5	Mr. Imtiaz Ahmed	Director	0.50%	2,332,800	0.50%	2,332,800
6	Mr. Ali Ahmed	Director	1.38%	6,415,200	1.38%	6,415,200
7	Mr. Mohammed Jahed Iqbal	Director	2.63%	12,247,200	2.63%	12,247,200
8	Mr. Iqbal Ahmed OBE DBA	Director	4.63%	21,600,000	5.00%	23,328,000
9	Mr. Abdul Karim	Director	5.00%	23,328,000	5.00%	23,328,000
10	Mr. Mohammed Idrish Farazy	Director	0.58%	2,700,000	0.58%	2,700,000
11	Dr. Nesar Ahmed Choudhury	Director	0.63%	2,916,000	0.63%	2,916,000
12	Mr. Nafih Rashid Khan	Director	4.63%	21,578,400	4.63%	21,578,400
13	Mr. Naveed Rashid Khan	Director	5.00%	23,328,000	5.00%	23,328,000
14	Mr. M Badiuzzaman	Director	4.49%	20,969,280	4.49%	20,969,280
15	Mr. Humayen Kabir Khan	Director	1.48%	6,925,500	0.50%	2,332,800
16	Mr. Mohammed Giash Uddin*	Director	0.50%	2,332,800	-	-
17	Mr. Mohammed Ehsanur Rahman*	Director	4.80%	22,408,667	-	-
18	Mr. Md. Abdul Jalil Chowdhury	Independent Director	-	-	-	-
19	Mr. Md. Motior Rahman	Independent Director	-	-	-	-
20	Mr. Kamal Ahmed**	-	-	-	2.50%	11,664,000



				31.12.2020 Taka	31.12.2019 Taka
21	Mr. Mohammed Rafique Miah**	-	-	-	0.25%
				49.45%	230,731,447
				47.82%	223,123,680

* Newly appointed Director during 2020

** No longer Director as on 31 December 2020

13.5 Capital to Risk Weighted Assets Ratio (CRAR)

The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated 21 December 2014.

Tier- I Capital:

A) Total Common Equity Tier 1 Capital

Paid up capital	4,665,600,000	4,665,600,000
Statutory reserve	660,507,569	470,693,317
Retained earnings	470,952,006	(10,302,183)
	5,797,059,575	5,125,991,134
Less: Regulatory adjustments	328,215,994	413,672,651
A) Total Common Equity Tier 1 Capital	5,468,843,581	4,712,318,483

B) Additional Tier 1 Capital:

Add: Additional Tier 1 Capital	-	-
Less: Regulatory adjustments	-	-
C) Total Tier-1 Capital	5,468,843,581	4,712,318,483

Tier 2 Capital (Gone -Concern Capital)

Subordinated Bond	-	-
General provision maintained against unclassified loan	441,755,014	348,050,818
General provision on off-balance sheet items	102,571,227	136,274,389
Asset revaluation reserve	-	-
Revaluation reserve of Government securities	-	12,331,383
	544,326,241	496,656,590
Less: Regulatory adjustments	-	12,331,383
D) Total Tier 2 Capital	544,326,241	484,325,207
E) Total eligible capital (C+D)	6,013,169,821	5,196,643,690

F) Total risk weighted assets (RWA)

Credit risk

Balance Sheet Business	28,770,427,615	28,410,497,620
Off- Balance Sheet Business	3,047,181,446	5,154,217,688
	31,817,609,061	33,564,715,308
Market Risk	1,853,015,303	1,978,702,710
Operational Risk	3,740,140,679	3,469,398,622
	37,410,765,042	39,012,816,641

G) Required capital

H) Capital surplus	4,000,000,000	4,000,000,000
	2,013,169,821	1,196,643,690

	31.12.2020 Taka	31.12.2019 Taka
Capital to Risk-Weighted Assets Ratio/Capital adequacy ratio:		
Common Equity Tier- 1 / core capital to RWA against minimum requirement 4.5%	14.62%	12.08%
Tier- 1 / core capital to RWA minimum requirement 6%	14.62%	12.08%
Capital to Risk Weighted Assets against minimum requirement 10%	16.07%	13.32%
14 Statutory reserve		
Opening balance	470,693,317	470,693,317
Add: Addition during the year (20% of pre-tax profit)	189,814,252	-
	660,507,569	470,693,317
15 Other reserve		
General Reserve	-	-
Investment revaluation reserve (Note- 15.1)	6,707,198	1,708,959
	6,707,198	1,708,959
15.1 Revaluation reserve		
Held to maturity (HTM) (Note 15.1.1)	796,959	1,078,288
Held for trading (HFT) (Note 15.1.2)	5,910,239	630,671
	6,707,198	1,708,959
15.1.1 Reserve for amortization of treasury securities (HTM)		
Opening balance	1,078,288	-
Add: Addition during the year	132,668	1,078,288
	1,210,956	1,078,288
Less: Adjustment made during the year	413,997	-
	796,959	1,078,288
15.1.2 Reserve for revaluation of treasury securities (HFT)		
Opening balance	630,671	44,219
Add: Addition during the year	255,750,861	2,395,778
	256,381,532	2,439,997
Less: Adjustment made during the year	250,471,293	1,809,326
	5,910,239	630,671
16 Retained earnings		
Opening balance	(10,302,183)	460,654,030
Add: Net profit for the year	671,068,441	(125,356,213)
	660,766,258	335,297,817
Less: Transfer to statutory reserve	189,814,252	-
Less: Bonus Share issued	-	345,600,000
	470,952,006	(10,302,183)



	31.12.2020 Taka	31.12.2019 Taka
17 Contingent liabilities		
Acceptances and Endorsements (Note-17.1)	1,565,237,575	2,604,112,785
Letters of Guarantee (Note-17.2)	7,366,294,585	8,840,474,904
Irrevocable letters of credit (Note-17.3)	1,325,590,543	2,182,851,200
Bills for Collection (Note-17.4)	623,740,867	789,877,166
Other contingent liabilities		
	10,880,863,570	14,417,316,055
17.1 Acceptances and Endorsements		
Acceptances (ULC Cash)	897,347,818	1,609,028,680
Acceptances BTB Usance Local	561,693,470	831,396,315
Import Bills (Sight Contract)	-	10,319,629
Shipping Guarantee	106,196,287	153,368,161
	1,565,237,575	2,604,112,785
17.2 Letters of Guarantee		
Directors	-	-
Government	-	-
Banks and Other Financial Institution	-	-
Others (Customers etc.)	7,366,294,585	8,840,474,904
	7,366,294,585	8,840,474,904
17.3 Irrevocable letters of credit		
Letter of Credit Cash Sight	458,945,408	1,191,693,637
Letter of Credit Cash Usance	406,334,283	618,858,440
Letter of Credit Back to Back Sight	37,064,752	67,917,137
Letter of Credit Back to Back Usance	423,246,100	304,381,987
	1,325,590,543	2,182,851,200
17.4 Bills for Collection		
Foreign Documentary Bills Collection	289,712,462	764,949,461
Local Documentary Bills Collection	334,028,405	24,927,705
	623,740,867	789,877,166
18 Income statement		
Income:		
Interest, discount and similar income (Note-18.1)	4,612,648,706	4,955,436,991
Dividend income	55,761,525	71,903,900
Fees, commission and brokerage (Note-18.2)	317,521,093	333,118,782

	31.12.2020 Taka	31.12.2019 Taka
Gains less losses arising from dealing in securities	365,272,014	4,348,103
Gains less losses arising from investment securities	26,297,538	18,763,078
Gains less losses arising from dealing in foreign currencies	70,565,537	112,699,135
Income from non-banking assets	-	-
Other operating income (Note-23)	61,478,441	20,858,079
Profit less losses on interest rate changes	-	-
	5,509,544,854	5,517,128,068
Expenses:		
Interest paid on deposits and borrowings, etc. (Note-20)	3,070,333,638	3,088,835,347
Losses on loans and advances	-	-
Administrative expenses (Note-18.3)	1,163,260,143	1,160,104,291
Other expenses (Note-33)	217,380,687	229,195,654
Depreciation on banks assets (Note-32)	108,843,358	113,880,796
	4,559,817,826	4,592,016,088
	949,727,028	925,111,979
18.1 Interest, discount and similar income		
Interest income (Note-19)	4,065,018,938	4,603,332,997
Interest on treasury bills & bonds	547,629,768	352,103,994
	4,612,648,706	4,955,436,991
18.2 Fees, commission and brokerage		
Commission	317,521,093	333,118,782
Brokerage	-	-
	317,521,093	333,118,782
18.3 Administrative expenses		
Salaries and allowances (Note-24)	739,815,945	710,291,621
Rent, taxes, insurance, electricity, etc. (Note-25)	312,600,607	316,448,163
Legal and professional expenses (Note-26)	5,558,070	4,137,894
Postage, stamp, telecommunication, etc. (Note-27)	33,130,666	34,885,572
Stationery, printing, advertisement, etc. (Note-28)	19,632,693	30,935,848
Managing Director's salary and fees (Note-29)	13,600,000	16,738,000
Directors' fees & others expenses (Note-30)	742,421	5,148,511
Auditors' fees (Note-31)	400,000	400,000
Repair of Bank's assets (Note-32)	37,779,742	41,118,682
	1,163,260,143	1,160,104,291



	31.12.2020 Taka	31.12.2019 Taka
19 Interest income		
Interest on advances	3,878,946,570	4,349,870,861
Interest on money at call and short notice	23,589,862	24,640,999
Interest on balance with other banks	4,532,885	2,296,055
Interest on placement with other banks and Financial Institutions	157,949,621	226,525,082
	4,065,018,938	4,603,332,997
20 Interest paid on deposits and borrowings etc.		
Interest on deposits	2,915,433,172	2,907,947,642
Interest on borrowings	154,900,466	180,887,705
	3,070,333,638	3,088,835,347
21 Investment income		
Interest on Treasury Bill	64,681,064	51,641,815
Interest on Treasury Bond	529,429,572	376,965,863
Interest on bonds-Corporate	13,258,667	11,981,667
Interest on Commercial Paper	37,686,247	43,655,947
Capital Gain from trading in Govt. Securities	365,272,014	4,348,103
Trading loss on Govt. Securities	(97,425,782)	(132,141,297)
Capital Gain from sale of quoted Securities	26,297,538	18,763,078
Dividend on shares	55,761,525	71,903,900
	994,960,846	447,119,076
22 Commission, exchange and brokerage		
Fees, commission and charges (Note-22.1)	317,521,093	333,118,782
Exchange gain (net off exchange loss)	70,565,537	112,699,135
Brokerage	-	-
	388,086,630	445,817,916
22.1 Fees, commission and charges		
Loan processing fees	4,655,391	8,758,541
Service charges (Periodic and adhoc)	59,010,763	57,917,567
Early settlement fees	4,178,812	2,794,502
Cards fees and charges (net of cards direct expenses) (Note-22.1.a)	120,923,727	105,457,620
Commission on general banking (PO, FDD, Remittance etc.)	6,824,259	3,688,768
Commission on trade business (LC, LG, Acceptance)	121,928,141	154,501,783
	317,521,093	333,118,782

	31.12.2020 Taka	31.12.2019 Taka
22.1.a Cards fees and charges (net of cards direct expenses)		
Cards fees and charges		
Fees and charges (Debit, prepaid cards etc.)	14,309,411	10,190,079
Fees and charges (Credit cards)		
Annual fees	15,593,500	13,141,850
Late payment and overlimit fees	16,299,096	15,145,957
Cash advance fees	7,934,071	7,395,911
Interchange reimbursement fees	22,269,583	19,293,347
Risk assurance premium	31,221,857	27,016,238
Card cheque fees	26,530,306	31,192,716
Visa Markup Fees and EMI Commission	7,188,705	10,875,637
Replacement fees and others	1,196,805	1,130,094
	128,233,923	125,191,750
	142,543,334	135,381,829
Cards direct exp.		
Membership Fee	2,121,250	1,690,000
VISA network charges	14,301,715	20,299,403
Other Charges	5,196,641	7,934,807
	21,619,606	29,924,210
Total Cards fees and charges (net of cards direct expenses)	120,923,727	105,457,620
23 Other operating income		
Rebate on nostro account	7,155,878	5,473,439
Swift charge recovered	4,518,000	5,199,198
Postage/telex charge recovered	1,489,497	1,220,257
Gain from sale of fixed assets	4,572,226	-
Other Income - PF Forfeiture	14,981,382	-
Non operating income	28,761,458	8,965,185
	61,478,441	20,858,079
24 Salaries and allowances		
Basic salary	323,319,012	310,181,680
Allowances	315,831,654	305,063,423
Performance bonus	-	-
Festival bonus	54,099,715	52,334,881
Bank's Contribution to provident fund	27,137,948	26,611,637
Contribution to gratuity fund	19,427,616	16,100,000
	739,815,945	710,291,621



	31.12.2020 Taka	31.12.2019 Taka
25 Rent, taxes, insurance, electricity etc.		
Rent, rate and taxes	247,309,392	251,316,479
Insurance premium	29,291,199	25,520,312
Utilities	36,000,016	39,611,372
	312,600,607	316,448,163
26 Legal expenses and professional expenses		
Legal expenses	3,136,353	532,116
Other professional expenses	2,421,717	3,605,778
	5,558,070	4,137,894
27 Postage, stamps, telecommunication etc.		
Postage & Courier charges	2,865,038	3,093,339
Telephone	3,903,871	3,734,363
Swift and Bloomberg charges	10,063,442	11,901,479
Network link, internet, DC and DR	16,298,315	16,156,391
	33,130,666	34,885,572
28 Stationery, printing, advertisements etc.		
Printing and stationery	8,645,144	12,671,920
Publicity and advertisement	9,139,372	14,330,011
Promotional Expense	1,848,177	3,933,917
	19,632,693	30,935,848
29 Managing Director's salary and allowances		
Basic salary	9,500,000	10,350,000
Allowances	1,250,000	3,600,000
Performance bonus	-	-
Festival bonus	1,900,000	1,753,000
Bank's Contribution to provident fund	950,000	1,035,000
	13,600,000	16,738,000
30 Directors' fees and other expenses		
Meeting attendance fees	304,000	3,208,644
Other expenses	438,421	1,939,867
	742,421	5,148,511
31 Auditors' fees		
Statutory audit fees	400,000	400,000
	400,000	400,000

	31.12.2020 Taka	31.12.2019 Taka
32 Depreciation and repair of bank's assets		
Depreciation: (Annexure 'A')		
Furniture and fixtures	38,658,904	35,470,872
Machinery and equipment	23,204,948	26,872,486
Computer and network equipment	18,302,300	22,574,413
Mobile Phone	500,407	638,497
Vehicles	6,088,783	6,366,052
Software	22,088,016	21,958,476
	108,843,358	113,880,796
Repair of bank's assets		
Rented premises	2,486,132	4,304,498
Machinery and equipment	5,462,865	6,569,461
Computer and accessories	326,223	539,670
Software maintenance	29,504,522	29,705,053
	37,779,742	41,118,682
	146,623,100	154,999,478
33 Other expenses		
Car expenses	64,487,540	64,218,896
Security Guard and Support Staff	32,534,349	41,819,311
Books, periodicals and publications	910,533	1,279,511
Donation and subscription	42,627,025	16,661,423
Staff recruitment and training expenses	608,682	2,833,662
Travelling expenses	3,137,744	5,965,127
Directors' travel and accommodation expenses	935,738	19,054,444
Entertainment	4,296,955	8,421,226
Business development expenses	4,780,492	10,982,957
Bank and other regulatory charges	1,425,266	1,809,133
Cash carrying expense	7,438,700	7,686,911
AGM expenses	-	963,093
Contract point verification expenses	2,747,876	4,783,013
Sales and collection commission	34,452,508	23,773,340
Miscellaneous expenses	16,997,279	18,943,606
	217,380,687	229,195,654
34 Provision for loans, investments & off-balance sheet items		
Provision for start-up fund	9,497,270	-
Provision for bad and doubtful loans and advances	(129,777,502)	814,076,927
Provision for unclassified loans and advances	93,948,404	75,087,071
Provision for off-balance sheet items	(33,703,162)	28,601,862
Provision for diminution in value of investments	(65,959,197)	100,854,567



	31.12.2020 Taka	31.12.2019 Taka
Provision for other assets	126,649,955	197,000
	655,769	1,018,817,427
35 Receipts from other operating activities		
Rebate on nostro account	7,155,878	5,473,439
Swift charge recovered	4,518,000	5,199,198
Postage/telex charge recovered	1,489,497	1,220,257
Non operating income	8,761,458	8,965,185
	21,924,833	20,858,079
36 Payments for other operating activities		
Rent, rates and taxes	301,636,677	316,448,163
Legal expenses and professional expenses	5,558,070	4,137,894
Postage and communication charges, etc.	33,130,666	34,885,572
Stationery, printing, advertisements etc.	10,493,321	30,935,848
Directors' fees & other expenses	742,421	5,148,511
Miscellaneous expenses	250,449,785	270,714,336
	602,010,939	662,270,325
37 Earnings per share (EPS)		
Net profit after tax	671,068,441	(125,356,213)
Number of ordinary shares outstanding	466,560,000	466,560,000
Earnings per share	1.44	(0.27)

Earnings per share has been calculated in accordance with IAS 33: "Earnings Per Share (EPS)".

38 Audit committee

A. Particulars of audit committee

In pursuance of the directives of the Bangladesh Bank vide BRPD Circular no.11 dated 27 October 2013, the Board of Directors in its 111th meeting held on 17 January 2021 re-constituted an Audit Committee. Presently, the Audit Committee members are:

Sl. No.	Name	Status with the Board	Status with the Audit Committee	Educational Qualification
1	Mr. Imtiaz Ahmed	Director	Chairman	Post Graduate
2	Mr. Mohammed Jamil Iqbal	Vice Chairman	Vice Chairman	B A (Hons)
3	Mr. Humayen Kabir Khan	Director	Member	Graduate (La Guardia College, USA)
4	Mr. Mohammed Giash Uddin	Director	Member	HSC
5	Mr. Md. Motior Rahman	Independent Director	Member	M.com (Accounting)

B. Meetings held by audit committee with senior management to consider and review the Bank's Financial Statements:
During the year under review the committee held several meetings to oversee / review various functions including reviewing the Annual Financial Statements in compliance with the Bangladesh Bank circular.

Meetings held by the committee during the year by date:

33rd Audit Committee Meeting held on 23.01.2020
34th Audit Committee Meeting held on 20.06.2020
35th Audit Committee Meeting held on 27.06.2020

36th Audit Committee Meeting held on 08.08.2020
37th Audit Committee Meeting held on 13.12.2020

C. Steps taken for implementation of an effective internal control procedure of the Bank:

Through circular the committee placed its report regularly to the Board of Directors of the Bank mentioning its review results and recommendations on internal control system, compliance of rules and regulations and establishment of good governance within stipulated time.

39 Related party disclosures

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence over the other party in making financial and operating decisions that fall within the definition of 'Related Party' as contained in Bangladesh Accounting Standards (IAS) - 24 (related party disclosures) and as defined in the BRPD Circular no. 14 dated 25 June 2003. Related party information are given below:

i) Directors' interest in different entities

Name of Directors	Status with the Bank	Name of the firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Mr. Mohammed Mahtabur Rahman	Chairman	Al Haramain Perfumes LLC, UAE	Investor	100%
		Al Haramain Perfumes Holding LLC, UAE	Investor	100%
		Al Haramain Perfumes MFG & Oudh Processing Industry LLC, UAE	Managing Director	49%
		Al Halal Perfumes Industry LLC, UAE	Managing Director	25%
		Al Halal Perfumes LLC, UAE	Managing Director	49%
		Al Haramain Trading L.L.C, UAE	Partner	51%
		Noor Al Haramain Trading LLC, UAE	Managing Director	25%
		Oud Al Haramain LLC, UAE	Investor	100%
		Shaikh Khalifa Bin Zayed Bangladesh Islamia (Pvt) School, UAE	Sponsor	
		Al Haramain Perfumes Int'l W.L.L, Kuwait	Managing Director	49%
		Noor Al Haramain Perfumes Company W.L.L, Kuwait	Managing Director	49%
		Al Haramain Perfumes LLC, Oman	Managing Director	70%
		Al Haramain Perfumes, W.L.L, Qatar	Managing Director	49%
		Al Haramain Perfumes S.P.C, Bahrain	Managing Director	50%
		"Al Haramain Perfumes PTE Limited, Singapore"	Managing Director	99%
		Al Haramain Perfumes SDN BHD, Malaysia	Managing Director	50%
		Al Haramain Perfumes Pvt. Ltd. Bangladesh	Chairman	0.50%
		Al Haramain Hospitals Pvt. Ltd. Bangladesh	Chairman	0.10%
		Al Haramain Tea Co. Ltd. Bangladesh	Chairman	
		Al Arafah Islami Bank Limited, Bangladesh	Sponsor	0.93%
		AIBL Capital Market Services Ltd. Bangladesh	Director	1.50%
		Rich & Ruitz, France	Director	
		Al Haramain Perfumes, London	Director	
		Al Haramain Perfumes Inc, New York, USA	Managing Director	



Name of Directors	Status with the Bank	Name of the firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Mr. Tateyama Kabir	Vice Chairman	Kabir Auto Export Co. Ltd. Japan	President	100%
		Ocean Auto Limited, Dhaka, Bangladesh	Proprietor	100%
		K M Global Limited, Dhaka, Bangladesh	Managing Director	50%
		K M International, Dhaka, Bangladesh	Proprietor	100%
		Sumday Development Company Ltd., Bangladesh	Managing Director	25%
Mr. Mohammed Jamil Iqbal	Vice Chairman	Al Anood Perfumes Co., Dubai, UAE	Partner	24%
		M/S. Md. Jamil Iqbal, Bangladesh	Proprietor	100%
		M/S. JI Stone Supplier, Bangladesh	Proprietor	100%
		M/S. New Maitri Stone Crushing Plant, Bangladesh	Proprietor	100%
		Jamil Iqbal Ltd.	Chairman	50%
Mr. Khandakar R. Amin	Director	Father Realty Corporation (Commercial Building), USA	Proprietor	100%
		Amin Realty Corporation (Commercial Building), USA	Proprietor	100%
		Hirapur Realty Corporation (Commercial Building), USA	Proprietor	100%
		Surma Realty Corporation (Commercial Building), USA	Proprietor	100%
		Indian Spice (Indian Restaurant), USA	Proprietor	100%
		India Place (Indian Restaurant), USA	Proprietor	100%
		Chile's Chocolate, (Mexican Restaurant), USA	Proprietor	100%
		Gallitos Expreess (Mexican Restaurant), USA	Proprietor	100%
		Galliot's Mexicans (Restaurant), USA	Proprietor	100%
		Hotel New York (Residential), Dhaka	Proprietor	100%
		KH Carbon Factory, Faridpur	Proprietor	100%
		Khandakr Aquaculture Ltd, Noakhali	Proprietor	100%
		Amin CNG Filling Station, Noakhali	Proprietor	100%
		Amin Gas Station, Noakhali	Proprietor	100%
		Cafe New York, Noakhali	Proprietor	100%
		Dhaka New York Agro Fishers. Ltd., Noakhali	Proprietor	100%
Mr. Imtiaz Ahmed	Director	Easy Let Early Sale, UK	Director	
Mr. Ali Ahmed	Director	Mirravale Holding Ltd.	Director	55%
		BJ Browing Business Ltd.	Director	55%
		AAB Estates Ltd.	Director	100%
		AA Express Food Dist. Ltd.	Director	75%

Name of Directors	Status with the Bank	Name of the firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Mr. Iqbal Ahmed OBE DBA	Director	Seamark PLC, United Kingdom	Chairman & Chief Executive	27%
		IBCO Limited, United Kingdom	Chairman & Chief Executive	40%
		IBCO Enterprise, United Kingdom	Senior Partner	33%
		Seamark (BD) Limited, Bangladesh	Chairman & Chief Executive	30%
		IBCO Food Industries Limited, Bangladesh	Chairman & Chief Executive	31%
		Seamark (Holdings) Limited, Bangladesh	Chairman & Chief Executive	
		Seamark (USA) Inc., USA	Managing Director	33%
		ManRu Shopping City, Bangladesh	Senior Partner	31%
Mr. Mohammed Jahed Iqbal	Director	M/S. Md. Jahed Iqbal	Proprietor	100%
		Jahed Iqbal Ltd. UK	Director	100%
		Desert Star Trading LLC	Partner	24%
		Jamil Iqbal Ltd., Bangladesh	Managing Director	50%
		Sumday Development Company Ltd., Bangladesh	Director	25%
Mr. Abdul Karim	Director	Hassan Shahin Ahmed Perfumes L.L.C. Dubai, UAE	Proprietor	100%
Mr. Mohammed Idrish Farazy	Director	National Exchange Company S.R.L. Italy	Chairman	51%
		Popular Travels & Tours, Rome, Italy	Chairman	25%
		Farazy Hospital and Diagnostics Ltd.	Director	
Dr. Nesar Ahmed Choudhury	Director	N.A. Choudhury Limited, UK	Director	50%
		Solace Service Limited	Shareholder	15%
Mr. Nafih Rashid Khan	Director	Commodity First DMCC, Dubai, UAE	Managing Director	50%
		Loch Shipping Intermediary FZE, UAE	Chairman & MD	100%
		Jabbar Jute Mills Ltd. Bangladesh	Director	10%
		Bangladesh Medical Science and Technology Limited, Bangladesh	Director	10%
		Comodity First Pte Ltd, Singapore	Director	50%
Mr. Naveed Rashid Khan		Jabbar Jute Mills Ltd. Bangladesh	Director	10%
		Gentrade FZE, UAE	Chairman & MD	100%
		Bangladesh Medical Science and Technology Ltd	Director	10%
		Commodity First DMCC, Dubai, UAE	Managing Director	50%
		Comodity First Pte Ltd, Singapore	Director	50%
Mr. M Badiuzzaman	Director	Tania International PTE. Ltd., Singapore	Managing Director	65%
		Tania Development PTE. Ltd., Singapore	Managing Director	70%
		Advance Homes Pvt. Ltd., Bangladesh	Chairman	60%
		Strategic Enterprises Pvt. Ltd., Bangladesh	Chairman	30%
		Pay Union BD limited, Bangladesh	Director	30%



Name of Directors	Status with the Bank	Name of the firms/companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc.	Status	Percentage of holding/ interest in the concern
Mr. Humayen Kabir Khan	Director	Khan and Son Services Inc	Owner	100%
		Khan and Son Property LLC, USA	Owner	100%
		Estate of Fazlur Khan, USA	Owner & CEO	50%
Mr. Mohammed Giash Uddin	Director	Poundsaver, London	Proprietor	100%
Mr. Mohammed Ehsanur Rahman	Director	Al Haramain Hospital Pvt Ltd., BD	Managing Director	20%
		Al Haramain Perfumes Pvt Ltd., BD	Director	20%
		Hamidia Tea State Ltd., BD	Director	33%
Mr. Md. Abdul Jalil Chowdhury	Independent Director	-	-	-
Mr. Md. Motior Rahman	Independent Director	-	-	-
Mr. Mamoon Mahmood Shah	MD & CEO	-	-	-

- ii) Significant contracts where Bank is a party & wherein Directors have interest : Nil
- iii) Shares issued to Directors and Executives without consideration or exercisable at discount : Nil
- iv) Lending Policies to Related Parties : Related parties are allowed Loans and Advances as per General Loan Policy of the Bank
- v) Business other than Banking business with any related concern of the Directors as per Section-18(2) of the Bank Company Act 1991 : Nil
- vi) Investments in the Securities of Directors and their related concern : Nil

Related party transactions

Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS 24 'Related Party Disclosures'. The Bank in normal course of business had transactions with other entities that fall within the definition of 'Related Party' as contained in IAS 24 and as defined in BRPD circular no. 04 dated 23 February 2014.

The significant related party transactions during the year were as follows:

A) Funded & Non-funded facilities: Nil

B) i) Transactions relating to procurement, service & rent:

Name of the Company/ Person	Related Directors of NRBBL	Nature of Transactions	Amount of Transaction made in 2020
Manru Shopping City	Mr. Iqbal Ahmed OBE DBA	Rental payment for NRBBL Sylhet Main Br, Sylhet.	3,423,030
Advance Zaman Centre	Mr. M. Badiuzzaman	Rental payment for NRBBL Ghonapar Br, Gopalgonj.	397,950
Ocean Auto	Mr. Tateyama kabir	Ambulance purchase for Chattogram City Corporation as a part of CSR activity	1,850,000
Ocean Auto	Mr. Tateyama kabir	Lease rental payment of vehicle	3,600,000

- ii) Significant contracts where Bank is a party & wherein Directors have interest : Nil
- iii) Shares issued to Directors and Executives without consideration or exercisable at discount : Nil
- iv) Lending Policies to Related Parties : Related parties are allowed Loans and Advances as per General Loan Policy of the Bank
- v) Business other than Banking business with any related concern of the Directors as per Section-18(2) of the Bank Company Act 1991 : Nil
- vi) Investments in the Securities of Directors and their related concern : Nil

40 Auditors work hour

The external auditor of the Bank, M/s Hoda Vasi Chowdhury & Co, Chartered Accountants worked about 2,150 man hour. They have reviewed more than 80% of the Bank's risk weighted assets as at the Balance Sheet date.

41 General

Highlights on the overall activities of the bank have been furnished in Annexure - D.

Schedule of fixed assets

As at 31 December 2020

Particulars	Cost				Rate of Depreciation	Accumulated Depreciation				Written down value as at 31 December 2020
	Balance as at 1 January 2020	Additions during the year	Disposal/ adjustment during the year	Balance as at 31 December 2020		Balance as at 1 January 2020	Charged during the year	Disposal/ adjustment during the year	Balance as at 31 December 2020	
Tangible assets:										
Furniture and fixture	366,309,649	18,191,145	-	384,500,794	10%	123,145,459	38,658,904	-	161,804,363	222,696,431
Machinery and equipment	173,540,589	12,365,916	(734,000)	185,172,505	20%	111,965,948	23,204,948	(684,626)	134,486,270	50,686,235
Computer and network equipment	166,201,857	10,510,721	(1,168,021)	175,544,557	20%	114,583,448	18,302,300	(953,150)	131,932,598	43,611,959
Mobile Phone	2,088,159	226,163	-	2,314,322	50%	1,443,890	500,407	-	1,944,297	370,025
Vehicle	62,127,511	5,554,166	(15,323,395)	52,358,282	20%	44,669,332	6,088,783	(11,309,567)	39,448,548	12,909,734
Intangible assets:										
Software	177,990,856	2,295,000	-	180,285,856	12.5%	103,533,476	22,088,016	-	125,621,492	54,664,364
As at 31 December 2020	948,258,621	49,143,111	(17,225,416)	980,176,315		499,341,553	108,843,358	(12,947,343)	595,237,568	384,938,747
As at 31 December 2019	826,319,107	122,118,864	(179,350)	948,258,621		385,605,044	113,880,796	(144,287)	499,341,553	448,917,068



Balance with other banks-Outside Bangladesh(Nostro Account)

As at 31 December 2020

(Amount in Taka)

Name of the Bank	Account type	Currency type	2020			2019		
			FC amount	Exchange rate	Equivalent Taka	FC amount	Exchange rate	Equivalent Taka
Habib American Bank, New York	CD	USD	139,974.93	84.80	11,870,028	447,286.76	84.90	37,974,646
United Bank of India	CD	ACU	75,770.19	84.80	6,425,395	82,253.14	84.90	6,983,292
United Bank of India	CD	ACU EUR	38,003.46	103.89	3,948,012	7,830.16	94.89	742,992
Mizhuo Bank Ltd, Japan	CD	JPY	47,588.00	0.82	38,975	784,938.00	0.78	608,876
Mashreq Bank PSC, New York	CD	USD	799,223.73	84.80	67,775,051	1,029,140.97	84.90	87,374,069
Mashreq Bank PSC, UK	CD	GBP	-	114.50	-	49,871.89	111.10	5,540,563
Aktif Bank, Turkey	CD	EUR	27,381.66	103.89	2,844,560	109,039.92	94.89	10,346,634
AB Bank Limited, Mumbai	CD	ACU	49,364.34	84.80	4,186,150	78,688.07	84.90	6,680,617
National Commercial Bank	CD	SAR	109,758.13	22.60	2,480,183	109,208.13	22.62	2,470,626
					99,568,355			158,722,315

Investment in Quoted Shares and Mutual Funds

AS AT 31 December 2020

Name of the Company	Face value per share	No. of shares	Cost of holding	Average Cost	Quoted rate per share as on 31.12.2020	Total market value of share as at 31.12.2020	Unrealised gain/ (loss)
General Portfolio							
Active Fine Chemicals Limited	10	400,000	9,735,840	24.34	16.90	6,760,000	(2,975,840)
Premier Bank Limited	10	363,825	4,579,140	12.59	11.00	4,002,075	(577,065)
Prime Bank Limited	10	400,000	7,434,880	18.59	17.10	6,840,000	(594,880)
BRAC Bank Limited	10	100,000	4,950,882	49.51	44.30	4,430,000	(520,882)
Mutual Trust Bank Limited	10	11,550	336,805	29.16	24.10	278,355	(58,450)
Heidelberg Cement Bangladesh Limited	10	83,000	43,459,370	523.61	149.60	12,416,800	(31,042,570)
MJL Bangladesh Limited	10	840,000	97,181,052	115.69	76.90	64,596,000	(32,585,052)
ACI Limited	10	33,000	9,308,251	282.07	246.00	8,118,000	(1,190,251)
Grameenphone Limited	10	140,000	50,313,173	359.38	347.10	48,594,000	(1,719,173)
Olympic industries Limited	10	130,000	25,436,724	195.67	191.10	24,843,000	(593,724)
Singer Bangladesh Limited	10	200,000	39,358,131	196.79	175.60	35,120,000	(4,238,131)
BBS Cables Limited	10	220,000	14,762,927	67.10	54.80	12,056,000	(2,706,927)
Dominage Steel Building Systems Limited	10	24,813	248,130	10.00	34.50	924,531	676,401
Crystal Insurance Company Limited	10	10,879	108,790	10.00	39.40	428,633	319,843
Esquire Knit Composite Limited	10	20,890	940,050	45.00	26.30	549,407	(390,643)
Runner Automobiles Limited	10	20,000	1,156,998	57.85	50.90	1,018,000	(138,998)
Sea Pearl Beach Resort & Spa Limited	10	3,916	37,300	9.53	79.10	309,756	272,456
Coppertech Industries Limited	10	4,978	47,410	9.52	21.10	105,036	57,626
Ring Shine Textiles Limited	10	233,531	2,010,600	8.61	6.40	1,494,598	(516,002)
Robi Axiata Limited	10	271,253	2,712,530	10.00	29.80	8,083,339	5,370,809
Meghna Petroleum Limited	10	100,000	20,194,338	201.94	198.00	19,800,000	(394,338)
Total		3,611,635	334,313,321			260,767,530	(73,545,791)



Name of the Mutual Fund	Face value per share	No. of shares	Cost of holding	Average Cost	Quoted rate per share as on 31.12.2020	Total market value of share as at 31.12.2020	Unrealised gain/(loss)	NAV @ Market Price	85% of NAV @ Market Price	Required Provision
Mutual Funds										
LR Global Bangladesh Mutual Fund One	10	8,900,000	66,965,638	7.52	6.60	58,740,000	(8,225,638)	11.60	9.86	-
AIBL 1st Islamic Mutual Fund	10	9,990,000	86,904,179	8.70	8.40	83,916,000	(2,988,179)	11.49	9.77	-
MBL 1st Mutual Fund	10	6,427,603	53,153,879	8.27	7.50	48,207,023	(4,946,857)	11.58	9.84	-
Grameen One : Scheme Two Mutual Fund	10	8,000,000	129,418,186	16.18	16.80	134,400,000	4,981,814	18.70	15.90	-
Southeast Bank 1st Mutual Fund	10	2,600,000	30,418,658	11.70	11.80	30,680,000	261,342	12.93	10.99	-
Peninsula Balanced Fund	10	1,000,000	10,000,000	10.00	11.76	11,760,000	1,760,000	10.69	9.09	-
IBBL Mudaraba Perpetual Bond	1,000	17,726	17,188,447	969.67	1,010.00	17,903,260	714,813	NA	NA	-
Ashuganj Power Station Company Ltd Bond	5,000	2,000	10,000,000	5,000.00	5,218.50	10,437,000	437,000	NA	NA	-
Total			404,048,988			396,043,283	(8,005,705)			-
			738,362,309			656,810,812	(81,551,496)			-

Highlights on the overall activities

As At 31 December 2020

SL No.	Particulars		2020	2019
1	Paid-up capital	Taka	4,665,600,000	4,665,600,000
2	Total capital (Tier-1 & Tier-2)	Taka	6,013,169,821	5,196,643,690
3	Surplus\ (Shortage) Capital	Taka	2,013,169,821	1,196,643,690
4	Total assets	Taka	55,363,485,719	54,722,974,357
5	Total deposits	Taka	41,830,983,438	41,809,853,016
6	Total loans and advances	Taka	38,848,570,390	38,932,317,978
7	Total contingent liabilities and commitments	Taka	10,880,863,570	14,417,316,055
8	Loans to deposits ratio (total loans/total deposits)	%	85.52%	87.82%
9	Percentage of classified loans against total loans and advances	%	3.71%	4.14%
10	Profit after tax and provision	Taka	671,068,441	(125,356,213)
11	Classified loans during current year	Taka	1,443,024,908	1,611,029,271
12	Provisions kept against classified loans	Taka	820,539,986	1,109,513,256
13	Provision surplus/(deficit) against classified loans	Taka	-	122,141,768
14	Cost of fund (Interest expenses/Average deposits and borrowings)	%	6.53%	7.69%
15	Interest earning assets	Taka	53,496,555,319	52,826,601,927
16	Non-interest earning assets	Taka	1,866,930,400	1,896,372,430
17	Return on assets (ROA) [PBT/ Average assets]	%	1.22%	-0.25%
19	Income from investment	Taka	994,960,846	447,119,076
18	Return on investment (ROI)	%	12.50%	6.43%
20	Earnings per share	Taka	1.44	(0.27)
21	Net income per share	Taka	1.44	(0.27)



The background of the slide is a dense, repeating pattern of small, light-colored icons. These icons represent various business and financial concepts, such as lightbulbs (ideas), bar charts (analytics), pie charts (data distribution), and buildings (corporate structures). The pattern is split vertically into two color sections: a golden-yellow section on the left and a dark blue section on the right.

OTHER INFORMATION

Sustainable

Finance

Sustainable Finance refers to any form of financial service integrating environmental, social and economic criteria into the business or investment decisions for the lasting benefit of both clients and society at large. Sustainable Financing contributes to Sustainable development and value creation in economic, environmental and social terms. In other words, one that ensures and improves economic efficiency, prosperity, and economic competitiveness both today and in the long-term, while contributing to protecting and restoring ecological systems, and enhancing cultural diversity and social well-being is Sustainable Finance.

Sustainable Finance approach in Bangladesh has primarily been driven by regulatory policies. The involvement of Bangladesh Bank (BB) promoted inclusive growth for attaining developmental goals and poverty reduction objectives of the Government. These initiatives are clearly linked to Sustainable Finance activities of the country. For Banking sector in Bangladesh, key areas of Sustainable Finance are **Green Banking and CSR**. However, activities of certain other sectors are clearly associated with the broad definition of 'Sustainable Finance'. These include Agricultural Credit, Financial Inclusion of underprivileged and rural people, Cottage, Micro and SME credit etc.

NRB Bank Ltd. adopted CSR and Green Banking practices and activities which are the key areas of Sustainable Finance from the very beginning of its journey. Each year the Bank contributes substantial amount towards CSR. Since 2017, we have started direct Green Financing in environment friendly Brick manufacturing projects. From the inception of our Bank, top priority sectors of lending include SME and Agricultural sector. Almost 50% of our total loans fall under CMSME category. Every year, we fulfill Agricultural and Rural Credit disbursement target as fixed by Bangladesh Bank. We started our Agent Banking activities from May, 2018 to provide financial services to underprivileged and rural people and till December, 2020 we establish 320 agent outlets throughout the country. NRB Bank is highly committed to serve the NRBs in all financial sectors; especially in Wage Earners' Remittance. Concentrating on the importance of Foreign Remittance, NRB Bank has formed its Foreign Remittance Department (FRD) dedicated for facilitating the Bangladeshi citizens residing abroad and started operation from 01st January, 2018.

As a whole, we are committed towards establishing Sustainable Finance in the country through integrating Sustainability factors, i.e. environmental, social and economic considerations into our core Banking activities and services.

Green Banking

NRB Bank Ltd., always acknowledges the significance of Green Banking or environmentally responsible Banking which not only improve own standards but also affect socially responsible behavior of other business to save environment. From the beginning of the establishment of the Bank, we started Green Transformation of Internal Operations and introduced Green Banking Products like E-Statement, Internet Banking, Online Banking in our Bank and Mobile App (NRB Click) has introduced in this year. Our Management has always stressed upon environment friendly initiatives, such as minimizing paper works both for internal and external communication, carbon emissions, conserve energy and water as much as possible, thus achieving efficiency in a cost-effective manner across the organization.

During the year 2015, we formed Green Banking Unit having responsibility of designing, evaluating, and administering related Green Banking issues of the Banks and issued separate '**Green Banking Policy**' as per guidelines of Bangladesh Bank. During 2016, we have issued '**Green Office Guide**' and during the year 2020 we have issued '**Green Marketing Policy**' to be aligned with our mainstream Banking activities.

Online Banking: Online Banking system is a great way to reduce paper consumption. NRB Bank's Online Banking service is extended to all branches, ATM's booths.

Internet Banking & E-Banking: We have introduced Internet Banking and Electronic Banking services for the customers from almost the beginning of our establishment. Customers can get the access of Internet Banking and Electronic Banking services through Desktop browser, Mobile browser and downloading the Apps. Customers receive following services with the help of Internet Banking and E-Banking-

- ◆ View account information from Current, Savings, Fixed Deposit and Term Deposit Account
- ◆ View Loan Account information
- ◆ View account statement (e-statement)
- ◆ Manage cheque books



- ◆ View clearing cheque status
- ◆ View detailed information of Loan Account disbursement and repayment schedule of the loan
- ◆ Transfer funds from their NRBBL accounts to other local bank accounts through BEFTN (BEFTN decreases paper-based payment methods and encourage electronic payment methods for secured, faster & cost-effective transactions.) & RTGS.
- ◆ Pay utility, credit cards, internet and mobile bills/top-up instantly.
- ◆ Receive e-Statements any time electronically and can check accounts anytime with an active internet connection.
- ◆ Get addresses, maps, driving directions, and banking hours for the NRB Bank branches and ATM network locations.
- ◆ Get SMS alert service

Phone Banking: The Bank established 24/7 Call Centre to provide improved and enhanced Phone Banking services to the customers over the phone. Phone Banking services helps to reduce the use of paper-based statements and carbon emission as the customers don't need to visit the branches.

Debit & Credit Cards: We provide Debit & Credit cards to our customers which helps to reduce the use of paper and carbon emission in different ways.

Leed Certified Green Head Office

NRB Bank is housed in a Leed (Leadership in Energy and Environmental Design) certified Green Building (Simple Tree Anarkali, 89 Gulshan Avenue, Gulshan-1, Dhaka) with the most efficient utility, energy and resources systems. It is the first LEED certified Core & Shell project in Bangladesh. Here corporate environment responsibilities are embodied through energy efficiency, water conservation and sustainable framework for corporate identities-

Water Efficient Landscaping: The forecourt of our Head Office is established with a landscape that complements 65.83 percent of the roof that are vegetated. Irrigation is largely achieved through captured rainwater and recycled grey water. The project achieves 25 percent reduction in storm water runoff and 41 percent reduction in potable water use while 116 percent of wastewater on site is treated to tertiary standard.

Optimize Energy Performance: In terms of energy consumption the building system achieves 12.57 percent reduction in energy cost. The intelligent use of double low-e, ceramic fritted glazing panel along the west facade maintains the required SHGC (solar heat gain coefficient) value while exhibiting an urban scale artwork along the boulevard. To maximize energy performance and reduce the impact on the environment from excessive energy the building has daylight harvesting, occupant sensing lighting control and energy efficient lighting. As a result, total energy consumption has been reduced by a significant level.

Water Use Reduction: To maximize indoor water efficiency and reduce the burden on the municipal water supply and wastewater systems, the building utilizes low-flow fixtures including water closets and sinks. As a result, the building's calculated water consumption has been reduced significantly.

As a whole NRB Bank Ltd. believes that the long term success and existence of our Bank is directly linked to the health and quality of the natural environment. We endeavor to continuously improve our environmental performance, reduce greenhouse gas emission, carbon footprint, and prevent pollution by adopting and promoting renewable resources, resource efficient products, community outreach, awareness and education.

Green Financing under Sustainable Finance

Green Financing means financing in 'Eco-Friendly' projects which will help attaining objectives towards a healthy environment not only for the present generation but also for the future generation. Green Finance covers a wide range of financial initiatives and includes both Public and Private Finance. Green Finance involves the effective management of Environmental risks across the financial system. Major Green projects financed by Banks and other Financial Institutions in Bangladesh as per guideline of Bangladesh Bank include Renewable Energy, Energy Efficiency, Solid Waste Management, Liquid Waste Management, Alternative Energy, Fire Burnt Brick, Non Fire Block Brick, Recycling and Recyclable Product, Green Industry, Safety and Security of factory and others.

As of December 31, 2020 Loan Outstanding under direct Green Financing of our Bank stands BDT 2,941.25 million which is 7.57% of total Loan Outstanding-

Green Projects/Products	BDT in Million	
	Loan Outstanding	
Green Bricks Manufacturing Plant	169.97	
Green Establishment	350.60	
Leed Certified Green Estab.	303.86	
Pet Bottle Recycling Plant	827.77	
Recyclable Poly Baggage	103.48	
Solar Panel	91.48	
Used Lead Acid Battery Recycling Plant	997.33	
Biological ETP	96.76	
Grand Total	2,941.25	



Agreement Signing with Bangladesh Bank

Following immense importance of Green Financing in the country, Bangladesh Bank introduced different 'Refinancing Scheme' for the Banks against their financing towards diverse green products/projects. As part of our commitment towards a Green Economy we have signed following Participation Agreement with Bangladesh Bank under refinance scheme-

- a) **Refinancing Agreement under Green Transformation Fund (GTF):** On February 09, 2017 we have signed Refinancing Agreement with Bangladesh Bank for facilitating access to finance in foreign exchange for all manufacturer-exporters in Export-oriented Textile & Textile Products, RMG and Leather Goods Manufacturing Industries to import capital machineries and accessories relevant to environment-friendly/green attributes specified by Bangladesh Bank.

- b) **Participation Agreement into the Refinancing scheme for Green Products / Initiatives:** On September 13, 2017, we have signed Participation Agreement with Bangladesh Bank under refinance scheme for lending in green product/initiatives (e.g. investment in sectors like Renewable Energy, Green Brick Manufacturing and Waste Management etc.).

Greening the financial system will determine how Bangladesh faces its environmental challenges throughout the pathway of growth. Since Green transformation of major sectors of the economy through environmentally responsible production depends on both the public and private sector financing in favor of Sustainable Finance, NRB Bank Limited as a responsible new generation Bank is committed towards substantial direct Green financing for accelerating the Green growth in the country.

CSR-2020

The Banking sector is in a leading position in discharging Corporate Social Responsibilities (CSR) in the country. The CSR practices by Banks have become an integral part of their business in recent years. CSR practices by Banks not only improve their own standards but also catalyst the socially responsible behavior of other businesses. Banking industry itself can also be benefited from the positive effects of CSR on the society as a whole, particularly on its clients. NRB Bank strive each day to ensure successful outcomes for all those who place their trust in the Bank and for the betterment of the society. We are determined to be a responsible Bank. During 2020, the Bank has contributed BDT42.715 Million under CSR activities.

Community Investment

- ◆ NRB Bank Ltd. has participated in the following programs during 2020 that augment the betterment of the community-
- ◆ Contributed BDT 1.00 Crore to the "Bangabandhu Memorial Trust" to observe Mujib Barsha.

NRB Bank Limited donated Tk.10.00 mln to Bangabandhu Memorial Trust for observing the 'Mujib Borsho'



Hono'ble Prime Minister Sheikh Hasina is receiving a cheque of Tk.10.00 mln from Mr. Khandakar Ruhul Amin, Director of NRB Bank Limited for observing the 'Mujib Borsho' across the country to mark the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman at a function at the Prime Minister's residence Gonobhabon on 06 January 2020. Finance Minister A H M Mustafa Kamal, MP, FCA, Directors of the Bank Mr. Mohammed Jahed Iqbal & Mr. Ali Ahmed and sponsor shareholder Mr. Monir Ali were also present on the occasion.



Education Program

Educational prosperity is of utmost importance for Sustainable Development of the Country and hence NRB Bank Ltd. has made significant contribution to this sector via a donation of BDT 6.25 Lac to “BIBM for the construction of their 15 Floor RCC Building in 2020 as 3rd instalment.

Disaster Management

- ◆ The Bank had donated Blanket to “Prime Minister’s Relief Fund” to support the cold affected people of the country of BDT 39.00 Lac.

NRB Bank Limited donates blankets to Prime Minister’s Relief Fund



NRB Bank Limited has donated blankets to the Prime Minister’s Relief Fund at a function held at Prime Minister’s Office on 28 October 2020 for under privileged and cold-hit people of the country, under CSR Program of the Bank. Honorable Prime Minister Sheikh Hasina joined the program through video conference from Prime Minister’s Residence Ganabhabon. On behalf of the Honorable Prime Minister Mr. Dr. Ahmad Kaikaus, Principal Secretary of the Prime Minister is receiving the token of blanket from Mr. Md. Khurshed Alam, Deputy Managing Director of NRB Bank Limited.

- ◆ NRB Bank has made significant contribution for disaster management this year by distributing relief among the COVID 19 affected people of BDT 200.00 Lac.

NRB Bank Limited distributed essential foods support to under privileged people of the country.



As part of Corporate Social Responsibility, NRB Bank Limited has undertaken Essential Food Support Initiative to help families in dire need for food and welfare support under a nationwide shutdown to stem the spread of the deadly coronavirus (Covid-19) pandemic. Chairman of the Bank Mr. Mohammed Mahtabur Rahman, Directors, Shareholders and Management has decided to distribute essential foods among under privileged and ultra-poor people in the country. In this connection Shareholder of the Bank Mr. Mohammed Oliur Rahman and under the supervision of Mr. Tateyama Kabir, Vice Chairman of the Bank Mahmuda Kulsum Moni, Assistant Commissioner (Land) of Chatkhil Upozila has distributed essential foods among under privileged people of the Moulvibazar District of greater Sylhet Region and Chatkhil Upozila of Naokhali Region today (07 May 2020) respectively. High officials of the bank of the both regions were present on the occasion.

- ◆ NRB Bank has contributed to disaster management by donating BDT 25.00 Lac towards the “Prime Minister’s Relief Fund” to support the flood affected people of the country.
- ◆ The Bank had also made donations of over BDT 20.00 Lac to Prime Minister’s Relief and Welfare fund to fight against CORONA Virus.

Financial Assistance to Health Sector

NRB Bank Limited has Donated Ambulance to Chittagong City Corporation of BDT 19.9 Lac



As a part of Corporate Social Responsibility, NRB Bank Limited donated an ambulance to Chattogram City Corporation (CCC) for carrying Corona suspected & other critical patients. Mr. Sarker Mehadhi Reza, Head of O. R. Nizam Road Branch of NRB Bank Limited handing over the key of an Ambulance to Mr. A. B. M. Nasir Uddin, Mayor of CCC at a simple ceremony held at CCC on Monday (13 April 2020). Mayor of CCC, Mr. Nasir Uddin express his gratitude to Mr. Mohammad Mahtabur Rahman, Chairman of NRB Bank Limited and also said this is very important & helpful for us in this lockdown situation. Among others: Mr. Md. Samsudoha, Chief Executive Officer of Chattogram City Corporation, Mr. Mohammed Tarek Uz Zaman, Area Head & Mr. Kazi Ashraful Azim, Head of Chattogram Main Branch & Cluster Head of NRB Bank are also seen in the picture.

NRB Bank Limited provided direct Financial Assistance of BDT 17.00 Lac in total during 2020 to the following patients for their treatments-

- ◆ Financial assistance has been provided to Ex-Staff Ms. Loren Justina Gomes for Cancer treatment purpose.
- ◆ One of our official received financial aid from the Bank for his spouse for Cancer treatment purpose.
- ◆ One of our official Mr. Md Ruhul Amin received financial help from the CSR fund as he is suffering from critical diseases.

NRB Bank Ltd. donated BDT17.00 lac for the treatment of two critically ill employees and their spouse as a part of CSR activity.



Mr. Tateyama Kabir, Vice Chairman of the NRB Bank Ltd. handing over cheques amounting BDT17.00 lac (Seventeen Lac Only) to the representatives of two critically ill employees and one employee's spouse of the Bank under the CSR activities. The chq handover program was held on 15 November 2020 at the Corporate Head office of the Bank. Mr. Mamoon Mahmood Shah, Managing Director & CEO (CC), Mr. Md. Khurshed Alam, Deputy Managing Director are among others seen in the picture.

Brand & Communications

Our brand identity defines a powerful way of promoting NRB Bank. It will focus on what NRB Bank stands for and enhance communication with target audiences to help them recognize NRB Bank as a leading financial institution.

The NRB Bank logo is the most important element for creating an impact and establishing visual identity. The logotype visually symbolizes the brand identity so that it is instantly recognized and associated with NRB Bank and its values.

The symbol used in the logotype depicts two distinct elements surrounding a precious diamond in the center. This diamond symbolically represents Bangladesh while the surrounding Blue and Red elements represent both resident and non-resident Bangladeshis and their attachment to Bangladesh. The elements combine together to create strength in unity, representing the powerful bond which NRB Bank strives to achieve with its clients. The symbol can also be interpreted as an anchor which provides financial security and stability.

Two bold and vibrant colours were chosen for the logotype, inspired by the Union Jack, to reflect regal yet understated sophistication.

NRB Bank logotype may be used as a dynamic graphic device. The graphic device may add as a dramatic element for creating impact and recognition. By which the logo has been transformed into a graphic device which depicts growth and a sense of energy and direction for reaching soaring heights. The aim of this abstract symbol is to create instant association with NRB Bank's values.

The tone of voice corresponds with the values, vision, mission and brand identity of NRB Bank. The style and language are consistent and consolidate what NRB Bank stands for. The verbal style is straightforward, with simple and direct; portrayed in a warm manner which reflects the bank's passion. The words should be utilized in a respectful manner which engages the audience and captures their enthusiasm, inspiring them to learn more about the bank. In line with the sophistication of the NRB Bank identity, the tone of voice is sincere and determined without being overly-excessive or exaggerated.

NRB BANK **BRAND & COMMUNICATIONS**

Brand & Communications is the strategic communication partner for the entire Bank and as such is responsible for:

- ◆ Corporate Marketing & Branding
- ◆ Provide support to company/management as spokesperson
- ◆ Develop Marketing Communications (MarCom) strategies and concepts for Corporate and Business Units (BUs) for target groups
- ◆ Transfer the overall business strategy into a Corporate and Marketing communications strategy
- ◆ Align Corporate Communications and Business Units (BUs) Marketing Communications
- ◆ Strategize, Direct, Monitor and Support marketing communications and supervise the total visual identity and image of NRB Bank in and outside the country.

We consider communications work – based on Bank's goals and strategies – to be a vital part of the business process. To increase company value by communicating goals, achievements and business strategies to our target groups through all our communications.

To build a distinctive visual, virtual and verbal corporate identity and to create proper image we are strongly follow the single brand strategy to create one brand, one voice philosophy in all sorts of communications. Because, We're Not just another bank.



Products & Services

RETAIL DEPOSIT PRODUCTS

Current Account

Current Account is an easy access account focused on meeting the customer's need of frequent and bulk account transactions.

Current Plus Account

Current Plus Account is an interest bearing current account for the individuals and SME-small segmented customers.

Savers

Savers Account is an interest bearing savings account for the Bangladeshi citizens. Interest is calculated on monthly minimum balance and paid half yearly.

Power Savers

Power Savers Account is an interest bearing savings account for the Bangladeshi citizens. Interest is calculated on daily balance and paid half yearly.

Pearl Account

Pearl Account is an interest bearing savings account designed exclusively for female customers.

Investment Savings Account

I-Savings Account is an interest bearing account for the resident Bangladeshi investors which can be maintained in respect to portfolio investments in Bangladesh.

Amar Shopno Account

Amar Shopno Account is an account specially created for including the unbanked population of Bangladesh under the banking service. This is an interest bearing account with minimum initial deposit as low as BDT 10.

RFCD Account

RFCD Account is a foreign currency account for Bangladeshi nationals which can be opened in USD / GBP / EUR / JPY (subject to availability of Nostro). It is an interest bearing account.

SPECIAL NOTICE DEPOSIT Account

Special Notice Deposit (SND) is an interest bearing deposit account designed to facilitate the customers to get some return from their floating fund.

Expat BDT Account

Expat BDT Account is a non interest bearing account which can be opened in BDT for the foreign nationals who are resident in Bangladesh and working in the country with valid visa and work permit.

Expat FCY Account

Expat FCY Account is a non interest bearing account which will be opened in USD / GBP / EUR for the foreign nationals residing abroad or in Bangladesh and also foreign firms registered abroad and operating in Bangladesh or abroad or Foreign missions and their expatriate employees.

RETAIL SAVINGS SCHEME

Term Deposit

Term deposit is a smart solution to get more out of long term investments with choice of tenor option. Tenor : 30 days , 90 days , 100 days, 180 days, 200 days, 300 days, 360 days or 24 months.

Monthly Benefit Scheme

Monthly Benefit Scheme is a term deposit product that offers monthly return on depositors fixed deposit amount over a certain period. Tenor: 1 Year, 3 Years, 5 Years.

My DPS

My DPS is a recurring monthly savings plan of any multiple of BDT 500 & any multiple of BDT 1,000 up to BDT 20,000 with tenor options 3/5/7/10 years.

Secured DPS

Secured DPS is a recurring monthly savings plan with full maturity value insured in case of customer's death. This scheme tenure 5 years & 10 years.

DPS Purple

DPS Purple is a smart recurring monthly savings plan exclusively designed for female customers. Choice of monthly deposit amount: BDT 500 & any multiple of BDT 1,000 up to BDT 50,000 with flexible options of 3/5/ 7/10 years.

Benefit First

Benefit First is a special kind of term deposit product. It gives a unique facility to the customer to withdraw the interest amount at the time of opening the term deposit. The tenor of Benefit First are 100 days, 200 days, 300 days.

Millionaire Savings Scheme

Millionaire Savings Scheme is a monthly deposit scheme which will give an opportunity to a customer to be a millionaire after a certain period of time with flexible tenor 3/5/7/10/12 years

NRB BANKING PROPOSITION – MY BANGLADESH

To manage the expectations of the NRBs and to facilitate the NRB inward investment to Bangladesh, the products specially designed for NRB's are:

NRB FCY Account

NRB FCY account is an interest bearing Foreign Currency account featuring variety of currency – USD / GBP / EUR / JPY (subject to availability of Nostro).

NRB My Savings Account

A daily interest bearing Taka savings account for non-resident Bangladeshi.

NRB FCY Term Deposit (NRB Rising)

A Foreign Currency fixed deposit account with choice of tenure.

NITA Account

NITA account is an account for the non-resident Bangladeshi investors for portfolio investment in Bangladesh. It is a non-interest bearing account.

NRB My Home Loan

NRB My Home Loan is for Non-Resident Bangladeshis who want to make their own home in their motherland.

Government Bonds for NRB's

Non-Resident Bangladeshis can now invest in the Government bonds with certain valuable benefits and features. There are three types of bonds, namely: WAGE EARNERS DEVELOPMENT BOND, U.S DOLLAR PREMIUM BOND, U.S DOLLAR INVESTMENT BOND.

STUDENT BANKING PROPOSITION – MY FUTURE

Student Banking proposition includes a rewarding and convenient offering for students up to age of 26 years. The proposition consists of three major products:

My Early Account

Savings account with flexible operating features for children aged below 18 years.

My Future DPS

Monthly recurring savings plan for minors of BDT 500 and any multiple of BDT 1000 with tenor options 3/5/10 years.

My Study Account

Especially designed daily interest bearing savings account for any Bangladeshi students aged 18 to 26 years.

PAYROLL BANKING PROPOSITION – MY SALARY

A convenient payroll management solution with a host of tailor-made products and propositions for corporates to manage their employee salary. The proposition offers wide array of benefits ranging from waivers and discount on different fees to other privilege services.

My Salary Account

A daily interest bearing savings account for the payroll customers with an array of benefits.

RETAIL LOANS

My Loan

My Loan is an unsecured any purpose loan with equal monthly installment (EMI) facility.

Quick Cash

Quick Cash is an overdraft facility for resident and non-resident Bangladeshis against FD's and securities with flexible repayment options.

Quick Loan

Quick Loan is an EMI based secured credit facility. This is a quick, convenient and easy way to meet financial needs in an emergency.

Quick Loan Single Payment (QLSP)

Quick Loan Single Payment (QLSP) is a secured monthly interest payment based overdraft facility for retail customer against their cash collateral.

My Home Loan

My Home Loan is a secured mortgage loan with EMI facility.

My Car Loan

My Car Loan is an EMI based car loan facility to fulfil the customer's dream of owning a car.

My Study Loan

My Study Loan is an EMI based loan to finance meritorious student who choose to pursue a higher education abroad. This loan will not only cover tuition fees but also overseas living expenses.

OTHERS

Locker Services

A security service offered to the customers to safe-guard their valuables under Bank's custody.

Student File Service

NRB Bank provides support to the prospective students by processing their student files and remitting funds in respective foreign currencies to meet tuition fees, board and lodging / incidental expenses etc.

ALTERNATE DELIVERY CHANNELS

ATM

NRB Bank facilitated Automated Teller Machine (ATM) at all branches from the very beginning of the bank's operation. Our ATM networks comprises of 47 ATMs.

Internet Banking

Internet Banking service provides banking facility anytime, from anywhere as per customer's convenience and it's free of charge. Features of internet banking include transfer of funds, balance inquiry, viewing account statement as well as instant mobile top-up. Internet banking service can be accessed from PC, Tab or Mobile device.



Call Center

24 Hours Call Center with world's leading technology solution "NU CALL MASTER" of BDCOM.

NRB Click

Customers of NRB Bank can easily access their account and make transaction like cash-in, cash-out, fund transfer, utility bill payment etc.

CARD PRODUCTS

Local Debit Card

VISA Local Debit Card with highly secured EMV chip and a wide range of benefits

Global Debit Card

VISA Global Debit Card with highly secured EMV chip Card, worldwide acceptance and a wide range of benefits

VISA Classic Credit Card

Plastic currency with an unsecured Credit limit from BDT 20,000 to BDT 99,999

VISA Gold Credit Card

Plastic currency with an unsecured Credit limit from BDT 100,000 to BDT 199,999

VISA Platinum Credit Card

Plastic currency with an unsecured Credit limit from BDT 200,000 to 1000,000

Hajj Services:

NRB Bank introduced Hajj services for the pilgrims since year 2018. Pre-registration and registration fees collection from pilgrims is on since then with satisfactory customer service. NRB bank also doing IBAN fund transfer to Saudi Arabia on behalf of Hajj Agencies with faster service.

Key Features of NRB Bank VISA Credit Card

- ◆ Highly secured EMV Card, Worldwide Accepted.
- ◆ 3D Secure Online and e-Commerce transactions with OTP.
- ◆ Complimentary Card for the first year.
- ◆ 100% Waiver on Renewal fee by making 14 transactions in a year*.
- ◆ Two Supplementary Card is FREE.
- ◆ Lower interest rate in the market, Monthly 1.67%.
- ◆ Lower interest rate for Balance Transfer, Monthly 2% or BDT 150 whichever is higher.
- ◆ Cash Advance up to 50% of Card limit.
- ◆ Up to 45 days interest free period.
- ◆ Balaka VIP Airport Lounge facilities (For Platinum Cardholder).
- ◆ Meet & Greet service (For Platinum Cardholder).
- ◆ Free First Card Cheque Book.
- ◆ Lower Card Cheque processing fee, 1.75% or BDT 200 which is higher.
- ◆ Discount facilities in various Restaurants, Hotels & Retail shops.
- ◆ "0% Easylife Installment Plan" from selected Merchants.
- ◆ EMI based "Easylife Interest Loan" from available balance with only 11% interest (Flat) per annum.
- ◆ Triple benefit Credit Assurance Program with Insurance coverage up to tk. 50 Lac.
- ◆ Easy Payment facilities through Internet Banking.
- ◆ Free SMS alert service.
- ◆ Free Monthly e-statement.
- ◆ 24 hours Call Centre assistance.
- ◆ Auto Debit Payment facility.

Key Features of NRB Bank VISA Debit Card

- ◆ Highly secured EMV Card, Worldwide Accepted.
- ◆ 3D Secure Online and e-Commerce transactions with OTP
- ◆ Free Cash withdrawal from any ATM all over the country

NRB Bank introduce first forever international debit card against ATQ(Annual Travel Quota) shortly. Client gets international debit card against his operative account and enjoy home and abroad foreign transaction within annual travel quota.

Information

Technology @ NRB Bank

In 2020, we have faced the global pandemic (COVID-19) which teaches us some significant lessons; the lesson to work on our financial strengthens and as well as on the most basic livelihood issue- survival. The outcome applies for all living creature and for any kind of organizations too. As a financial organization, we had the challenge to provide the fuel to run the banking system which can generate customer satisfaction and profits at the same time where we can't ask the customers to meet us physically and to pay the debts. Here we understood the necessity of the technology which can take us to the customer that can abate all possible breakpoints.

2021 will be a challenging year for the overall business industries too. This is the era of smart banking and we need to set our mind accordingly. The bank which can provide better service will last longer with profitability. NRB Bank is working utmost to provide best customer services. Any organization can provide better service only with the help of technologies. And we, NRB Bank, need to adopt best technology with intelligence to be apt among others.

Ensuring Security

Organizations are responsible for the security of their own data. The organization must ensure **Confidentiality** which certifies that sensitive information are accessed only by an authorized person, **Integrity** confirms that information are in a format that is exact and correct to its original purposes and finally **Availability** that ensures that information and resources are available to those who need them.

In a fast-changing IT environment, companies have already started moving away from legacy hardware centric systems and toward revolutionary technologies such as software defined data centers, hyper converged infrastructures, and hybrid cloud while keeping data protection as a prime concern.

Criminals don't take vacations, and the business of fraud is growing. While banks feel contraction during the current economic challenges, the business of fraud continues to grow. The number of financial organizations being attacked increased in recent time, and financial services still remains the most targeted industry, according to the Phishing Activity.

We are glad to mention that our security system is well enough compare to other organizations. More over to enrich the security feature we have started new project which are...

PCI-DSS Project

We starts PCI-DSS project to comply with VISA compliance and regulatory guidelines, and the

engages QSA to started its assessment for the gap analysis which is continuing, after completions the gap analysis, the Implementations team will move forward for remediation and achieve the PCI DSS compliance certifications within this targeted timeliness.

ISO 27001 Project

ISO 27001 is the international standard that describes best practices for information security management systems for the organizations which help us to identify administrative, technical and physical security risk and deploy appropriate controls to minimize the risk factor. We have started to implementations the ISO 114 controls in our NRB Bank environments and, now we are middle of the assessment faces, after completing the assessment, we will move forward for the certifications within the regulatory body timelines.

SIEM & Privilege Access Management

Cybersecurity is a complex and continuous process, and it's not possible to achieve overnight success against cyber threats. There is a lot of ingredients involved in the way of cybersecurity, technological changing rapidly, it's the biggest challenge to acquisitions the right technology for our environment along with the best utilizations with its unbearable cost and technological end of life, and integrations with the legacy systems and infrastructures. NRB Bank always focus to enhance its security to protect customer data, in this regards, we have procured Privilege access management solutions and implemented them in our environment to have controlled privileged accounts, and we have procured SIEM (Security Information and event management) system for proactively monitoring the cyber event and take necessary actions at immediately.

Awareness Building

It is not possible to ensure security without awareness to both internal employee and external customers. We are continuously arranging workshop at different cluster and zone at different time frame to acknowledge the internal employee about frauds and scams. IT & ADC Operations team are also sending mail and SMS to banks valued customers so that they get aware of the scams and do not get victims.

Mobile App (NRB CLICK)

NRB Bank is using Mobile App from the commencement of its journey since 2013 with the limited features. But to compete the new era of smart technology, IT & ADC Operations team are working to have a more advanced features of Mobile App. IT & ADC Operations team have already done scarce work on mobile app and implemented in live from where the user can ensure their transaction from home or any network connected place. Using NRB Click customer can see all Account/Card/Agent banking information from one app. Fund transfer from NRB Bank Account/Card to Account/Card, EFT to other bank Account/Card, Fund transfer to MFS account bKash/NAGAD, Bangla QR Payment, Mobile Top-Up, Card Active/Inactive instantly, Credit card foreign part (USD) Enable/Disable, Check transaction history etc. are available in NRB Click app.

Straight Banking

NRB Bank has launched a new service titled 'Straight Banking' for corporate banking in Bangladesh, with aims to make banking simpler and easier than before. This is already implemented in LIVE and corporate department is working effortlessly.



Straight banking service will make customer banking services one step ahead and simpler and easier than before. As per memorandum of understanding (MoU), the corporate clients of NRB Bank will be able to manage account information, initiate electronic fund transfer, disburse employee salary and make other types of payment through 'Straight Banking' from their respective office.

Enrichment of Agent Banking System

Rural customers are getting facilitated from agent banking. Bank have taken the right decision at right time. To meet the new upcoming challenges every day IT & ADC Operations are working competently and integrating with the 3rd party companies for utility payment arrangement in the agent banking system. So far IT & ADC Operations have provided Debit Card, Clearing, Loan etc. facilities under Agent Banking.

In House Development

Banking technological dependencies are increasing by using foreign software's. It is a big challenge to get support from vendors for software's and process automation. In the circumstances, a small in house development team form under IT & ADC Operations department. Since then NRB bank is very much focused on in house development. IT & ADC Operations team are doing its best to develop different software and some major developments are:

e-Statement	e-Learning
e-Signature	Auto LC Advice (for Customer)
Tag Report	Scrap Book
Attendance Module	Utility Bill Payment
File Sharing	Meeting Management System
Credit Card Payment Module	Auto Charge Collection Systems
Auto RIT and ISS reporting System	Loan Origination System (NLOS)
CL Automation System	Online Transaction Monitoring System

MIS

The banking MIS & Development team is under the application team who are developing different reports as per business requirement. All foreign Core Banking System (like ORACLE FLEXCUBE) have report as per international requirement and Bank's resolution of report recording is not served by those. As our Core Banking System is a foreign system so we have to developed the reports as per banks internal business requirement of different departments. IT & ADC Operations are also developing the reports for external purpose i.e. as per Bangladesh bank requirement such as CIB reporting, CTR Reporting etc. So far IT & ADC Operations have developed around 250 reports according to business requirement. The reports belong to diverse department as per their requisite and also developed different reports for top management committee (known as Executive Reports). IT & ADC Operations are still working its best on reports development.

Green Banking

Sustainable finance guidelines as per Bangladesh bank it is important to focus on green banking. Though NRB Bank is a small 4th generation bank but the bank is very courageous to take such initiative. With the help of IT & ADC Operations different stakeholders are using DMS, green-pin for card, and other systems to be ecological. NRB Bank is incorporating with the latest technology and trying its best to be paperless.

Data Protection

Data is extremely important, so it should be extremely secure. Data loss prevention solutions monitor and protect sensitive data on the network and block it from leaving the network unauthorized. In addition, data security policy are maintained. This defines approved methods to securely transfer or share data and define restricted methods to help stop the use of unsupported or unsafe services and applications. Policies are very specific on what is acceptable for all employees. They should include information about email policies, mobile devices, social networking, and internet usage.

These policies are documented, communicated (multiple times), enforced, and periodically reviewed and updated.

ATM

NRB Banks motto is one card all ATM around the Bangladesh anytime anywhere with no extra charge. The bank is providing best card related support among the 4th generation bank. Even organization should emphasis reducing ATM crime and the increased threat of physical crime. First and foremost is education. NRB bank (IT & ADC Operations) is very cautious about it. There are dashboard inside the ATM where guidelines of doing transaction and security instruction is shown. IT & ADC Operations team have send the SMS, e-mail in different time period to its valued customers about using the ATM and its safety such as pulling the locked door closed behind when doing any transaction, counting the money before leaving the area, contact call center if card is captured etc.

Secondly is a physical preventive such as video cameras, sufficient lighting, un-obscured placement, security mirrors and functioning locked doors etc.

Digital Marketing

IT & ADC Operations of NRB bank is trying its best to do digital marketing of every products in a productive manner. In the context, IT & ADC Operations team is continuously providing different mails (regarding products) to all the employees as well to the valued customers. The products details are also shown in the link from where all the employees are acknowledged about those and let the customer know about them. IT & ADC Operations team also help to publish the details of products in the social media like Facebook, twitter and other site as the new era is very much focused on social Medias.

Correspondent Banking

(Financial Institutions)

Correspondent Bank performs certain operations on behalf of another bank, usually in a different country. We, as a Bangladeshi bank mostly act as respondent bank, have to rely on the reputed global and regional banks who offers different correspondent banking services. As a respondent bank, we usually obtain the array of services through various correspondent banks like: advising LCs, handling import and export documents, maintaining Nostro Accounts in different currencies (i.e. USD, AUD, EUR, GBP, JPY, RMB etc.) and availing credit lines to ensure different trade financing facilities.



Fig: RMA network of NRB Bank across the globe

Although correspondent banking is the foundation for cross-border transaction, it is being threatened since last ten years by an overenthusiastic interpretation and enforcement of strict policies aimed at preventing money laundering and terrorist financing. The number of relationships between banks have been declining largely, because the industry has been trying to avoid risk-prone services, although there are ample business opportunities. Actually

they are cutting down the business appetite gauging their respective risk appetite.

The impact of the de-risking has now been rebounded to some extent, as development institutions such as the World Bank, IMF etc. are now working in tandem to redefine correspondent banking business with an expectation to bridge the gap between uncertainty in regulator expectation and

compliance program of global correspondent banks.

There is no exception for Bangladesh as well in terms of facing immense challenge while establishing & maintaining RMA and availing credit lines from foreign correspondent banks. The challenges are: stable revenue growth, strong balance sheet, strict ML&TF measures, corporate governance and management capacity, 'concentration risk' as reliance on few large foreign banks. It is to be mentionable that, the average trade financing rate is higher in Bangladesh among the South Asian countries because of country risk.

Bearing these facts and challenges, NRB bank has successfully accommodated a good number of trade transactions which require correspondent banking facilities. We managed to widen our correspondent network in 43 countries around the world. We are maintaining RMA with 137 nos. of foreign correspondent banks. NOSTRO accounts in all major tradable currencies have been established. A healthy volume of transaction is being channelized through them while meeting their rigorous AML/ KYC requirements time to time. NRB bank is registered with IRS (Internal Revenue Services), U.S. to comply FATCA regulations and obtained GILN (Global Intermediary Identification Number) as ELTG2L.99999.SL.050. We are adhering all regulatory compliance and guidelines though our continuous effort and internal insights. We have also registered our name in Bankers Almanac and SWIFT KYC Registry.

NOSTRO Accounts						
FCY	Correspondent Bank	SWIFT/BIC	Account No	CP	FX	MM
ACU EUR	United Bank of India, Kolkata	UTBI IN BB	0084050097389	CP	FX	MM
ACU USD	United Bank of India, Kolkata	UTBI IN BB	0084050097370	CP	FX	MM
ACU	AB Bank Limited, Mumbai	ABBL IN BB	5001-000079-155	CP	FX	MM
EUR	Aktif Yatirim Bankasi AS, Istanbul	CAYT TR IS	7260597	CP	FX	MM
GBP	Aktif Yatirim Bankasi AS, Istanbul	CAYTTRIS	9397558	CP	FX	MM
JPY	Mizuho Bank Ltd, Tokyo	MHCB JP JT	7151010	CP	FX	MM
USD	Habib American Bank, New York	HANY US 33	20729250	CP	FX	MM
USD	Mashreq Bank PSC, New York	MSHQ US 33	70010167	CP	FX	MM
SAR	National Commercial Bank, KSA	NCBK SA JE	88347001005402	CP	FX	MM

KEY

Activities 2020



NRB Bank Holds Annual Business Conference-2020

Mr. Mohammed Mahtabur Rahman, Chairman of NRB Bank Limited has inaugurated the Annual Business Conference 2020 on 25 January 2020 at Dhaka Regency Hotel & Resort. Among others: Vice Chairmen of the Bank Mr. Tateyama Kabir & Mr. Kamal Ahmed, Chairman of the Executive Committee Mr. M Badiuzzaman, Chairman of the Audit Committee Mr. Imtiaz Ahmed, Chairman of the Risk Management Committee Dr. Nesar Ahmed Choudhury, Founder Chairman of the Bank Mr. Iqbal Ahmed OBE DBA and other Directors, Managing Director & CEO Mr. Md. Mehmood Husain, Additional Managing Director Mr. Mamoon Mahmood Shah, Deputy Managing Director Mr. Md. Khurshed Alam, Senior Management Team, Managers from 46 Branches along with Divisional/Departmental heads were also present on the occasion. The conference evaluated the performance of the last year and adopted necessary strategies and action plan to achieve the target for the remaining time of the year.



NRB Bank Limited launched mobile banking app "NRB Click"

Mr. Mohammed Mahtabur Rahman, Chairman of NRB Bank Limited formally launched the Bank's Mobile Banking App "NRB Click" by cutting a cake at a simple ceremony held at Bank's Corporate Head Office, Gulshan, Dhaka on March 15, 2020. Through this App the customers of NRB Bank can easily access their account and make transaction like cash-in, cash-out, fund transfer, utility bill payment etc. Among others: Vice Chairman of the Bank Mr. Tateyama Kabir, other Directors, Managing Director & CEO Mr. Md. Mehmood Husain were also present on the occasion.



NRB Bank Limited organized day-long workshop on "Work Order Financing"

Mr. Md. Mehmood Husain, Managing Director & CEO of NRB Bank Limited poses with the participants of the day-long workshop on "Work Order Financing" at Bank's Learning & Development Center, Dhaka recently. Mr. Md. Khurshed Alam, Deputy Managing Director of the Bank Mr. Mohammed Md. Sahidul Islam, SVP & Unit Head, Corporate Banking, Mr. A.T.M. Zamal Uddin, Head of SME and Mr. Syed Akhlakuzzaman, Head of Learning & Development were present. High officials and Executives from Corporate Head Office and Branches were participated in the workshop.



NRB Bank Limited Inaugurates Mujib Corner

On the occasion of Father of the Nation Bangabandhu Sheikh Mujibur Rahman's birth centenary, NRB Bank Limited inaugurated Mujib Corner at its Corporate Head Office (2nd Floor), Dhaka on 15 March 2020. Mr. Mohammed Mahtabur Rahman, Chairman of the Bank formally inaugurated the Mujib Corner as Chief Guest. Among others Vice Chairman of the Bank Mr. Tateyama Kabir, other Directors and Managing Director & CEO Mr. Md. Mehmood Husain were also present on the occasion.



NRB Bank signed an Agreement with Fareast Islami Life Insurance Company Ltd. on Straight Banking Service

Mamoon Mahmood Shah, Additional Managing Director of NRB Bank Limited and Mr. Md. Hemayet Ullah, MD & CEO of Fareast Islami Life Insurance Company Limited exchanged documents after signing an agreement on Thursday, 19 March 2020 at the Head Office of Fareast Islami Life Insurance Company Limited, Dhaka on Straight Banking. Under the agreement NRB Bank Ltd introducing an Straight Banking System which will enable their Corporate Clients to Overview their Account Information, Transfer Fund, EFT, Disburse employee's salary and other payments with secure channel. Mr. A.K.M. Kamal Uddin, the Head of Corporate Banking of NRB Bank Limited, Mr. Abu Md. Sabbir Hassan Chowdhury, SVP, Head of IT & ADC Operations, Mr. Abdul Zabed, In-Charge of Corporate Liability, Mr. Md. Majedul Islam, AMD & Head of IT, Mohammed Alamgir Kabir, FCA, DMD & CFO & SK. Abdur Razzaque, SEVP & In charge, Banking & Inv. Department, PF Department of Fareast Islami Life Insurance Company Limited and the concerned officials of both the organizations were present on this occasion.



NRB Bank Limited Celebrated International Women's Day 2020

NRB Bank Limited Celebrated International Women's Day 2020 with the participation of successful women Entrepreneurs on 8th March 2020, at the Corporate Head Office of the Bank by cutting cake. Managing Director and CEO Mr. Md. Mehmood Husain was present as the Guest of Honor to encourage the women's participation in the banking sector and to inspire all the women officials of the bank. Mrs. Shahnewaz Ayesha Akhtar Jahan, Directors of Renaissance Group and Managing Director of Pandora Associates Ltd, Dr. Shamim Imam, Chairman of Picard Bangladesh Ltd and Mrs. Amrita Makin Islam Deputy Managing Director of Picard Bangladesh Ltd. attended as special guest and share their success story among the participants





NRB Bank Limited signed an Agreement with Trans-Fast Remittance LLC (TRANSFAST) for disbursing Foreign Remittance throughout the country.

Mr. Md. Mehmood Husain, Managing Director and CEO of NRB Bank Limited and Mr. Mohammad Khairuzzaman, Country Director-Bangladesh of Trans-Fast Remittance LLC exchanged documents after signing an agreement at the Corporate Head Office of NRB Bank Limited on July 1, 2020. Mr. Md. Khurshed Alam, Deputy Managing Director and Mr. Milton Roy, Head of Agent Banking Division & Foreign Remittance Department were, among others, present in this precious event.



NRB Bank Limited celebrates 7th Anniversary

Mr. Mamoon Mahmood Shah, Managing Director & CEO (Current Charge) of NRB Bank Limited along with Senior Management Team is seen cutting cake to celebrate the Bank's 7th Anniversary with the slogan 'Marching Towards Success & Sustainability' in a function held at Bank's Corporate Head Office, Dhaka today (04 August 2020). Due to Corona Virus Pandemic Management of the Bank has decided to celebrate this anniversary through digital platform. Mr. Md. Khurshed Alam, Deputy Managing Director, Members of Senior Management Team and Senior Executives of the Corporate Head Office of NRB Bank Limited are, among others, seen in the picture.



NRB Bank Limited & Genetica Industries Limited signed an Agreement for providing Agent Banking Services all over the country.

Mr. Mamoon Mahmood Shah, Managing Director and CEO (CC) of NRB Bank Limited and Mrs. Ashmita Irad Ali, Managing Director of Genetica Industries Limited are exchanging documents after signing an Agreement at the Bank's Corporate Head Office on 07 September, 2020. The Head of Agent Banking & FRD, Mr. Milton Roy signs the Agreement on behalf of the Bank. As per this agreement, Genetica Industries Limited will provide Agent Banking Services to the marginalized people of our country through their 1500 distributors' channel as a Master Agent. Bank's Head of IT & ADC Mr. Abu Md. Sabbir Hasan Chowdhury, President & Chief Operating Officer of Genetica Industries Limited, Mr. Irad Ali, Head of Sales & Marketing, Mr. Md. Mizanur Rahman and the Officials of the Bank's Agent Banking Division are, among others, present on the occasion.



NRB Bank Limited signed an agreement with Grand Palace Hotel & Resorts Limited

Mr. Mamoon Mahmood Shah, Managing Director & CEO (CC) of NRB Bank Limited and Mr. Shamsul Alam Pantho, Director, Grand Palace Hotel & Resorts Limited a sister concern of SA Group Ltd. has exchanged documents after signing an agreement at Bank's Corporate Head Office, Dhaka on 04 October 2020 on behalf of respective organizations. Under the agreement, Debit & Credit Cardholders of NRB Bank Limited will get 45% discount on room rent and 10% discount on food menu at Grand Palace Hotel & Resorts Limited. Mr. Md. Khurshed Alam, Deputy Managing Director of NRB Bank Limited, Mr. A K M Kamal Uddin, Head of ICCD, Mr. Md. Zakir Hossain, Head of Business, Card Division and Mr. Md. Md. Abu Seheri Forhad, Manager, Sales & Marketing of Grand Palace Hotel & Resorts Limited were also present on the occasion.



NRB Bank Limited signed an agreement with Sara Resort

Mr. Mamoon Mahmood Shah, Managing Director & CEO (CC) of NRB Bank Limited and Mr. Ahmad Raquib, General Manager of Sara Resort a sister concern of Fortis Group Limited. has exchanged documents after signing an agreement at Bank's Corporate Head Office, Dhaka on 20 October 2020 on behalf of respective organizations. Under the agreement, Debit & Credit Cardholders of NRB Bank Limited will get 25% discount on room at Sara Resort. Mr. Md. Khurshed Alam, Deputy Managing Director of NRB Bank Limited, Mr. A K M Kamal Uddin, Head of ICCD, Mr. Mir Shafiqul Islam, Head of Card Division and Mahira Habib, Head of Business Development & Corporate Sales of Sara Resort were also present on the occasion.



NRB Bank's Dilkusha Branch Shifted to new location

Mr. Mamoon Mahmood Shah, Managing Director & CEO (CC) of NRB Bank Limited is inaugurating Bank's Dilkusha Branch in its new location at Boliyadi Manson, 14, Dilkusha C/A, Dhaka on 01 November 2020. Mr. Md. Khurshed Alam, Deputy Managing Director of NRB Bank Limited, among others, seen in the picture.



NRB Bank Limited signed an agreement with Kuakata Grand Hotel & Sea Resort

Mr. Mamoon Mahmood Shah, Managing Director & CEO (CC) of NRB Bank Limited and Nasreen Jahan Ratna, MP, Chairman of Kuakata Grand Hotel & Sea Resort has exchanged documents after signing an agreement at Bank's Corporate Head Office, Dhaka on 11 November 2020 on behalf of respective organizations. Under the agreement, Debit & Credit Cardholders of NRB Bank Limited will get up to 70% discount on room rent, 15% discount on food menu and 60% discount on conference room at Kuakata Grand Hotel & Sea Resort. Mr. Md. Khurshed Alam, Deputy Managing Director of NRB Bank Limited, Mr. A K M Kamal Uddin, Head of ICCD, Mr. Mir Shafiqul Islam, Head of Cards and Mr. Arif Ahmed, General Manager, Kuakata Grand Hotel & Sea Resort were also present on the occasion.



NRB Bank Ltd. holds 7th Annual General Meeting

The 7th Annual General Meeting (AGM) of NRB Bank Limited was held on 23rd December 2020 at The Corporate Head Office, Gulshan, Dhaka. Mr. Mohammed Mahtabur Rahman, Chairman of the Bank presided over the meeting. Among others Vice Chairman Mr. Tateyama Kabir, Chairman of Executive Committee Mr. M Badiuzzaman, Chairman of Audit Committee Mr. Imtiaz Ahmed, Founder Chairman of the Bank Mr. Iqbal Ahmed OBE DBA and other members of the Board of Directors & Shareholders, Managing Director & CEO (CC) Mr. Mamoon Mahmood Shah also attended the meeting. Due to Covid-19, some directors & shareholders were present physically through following proper hygienic rules while others attended virtually.

Branch

Network

PRINCIPAL BRANCH Simpletree Anarkali 89 Gulshan Avenue, Gulshan -1, Dhaka.	DILKUSHA BRANCH Baliadi Mansion (1 st Floor) 16 Dilkusha C/A, Dhaka-1000.
BANANI BRANCH Classic Center (1 st Floor) House # 1, Road # 11, Block # F, Banani, Dhaka-1213.	SYLHET MAIN BRANCH ManRu Shopping City (Ground Floor) 891 Mir Box Tula Road, Chowhatta, Kotwali, Sylhet-3100.
BOGURA BRANCH Bogura Trade Centre (Ground Floor), 766(ii), Rangpur Road Dattabari, Borogola, Bogura-5800.	MOULVIBAZAR BRANCH Holding # 985 & 986 (1 st Floor) M Saifur Rahman Road, Moulvibazar.
O.R. NIZAM ROAD BRANCH Forum Central, 863/B, M.M. Ali Road Golpahar Circle, Mehedibag, Chattogram.	PANCHDONA BRANCH Jubayer Tower (1 st Floor) Panchdona Bazar, Narshingdi Sadar, Narshingdi-1603.
JOYPARA BRANCH Monowara Mansion (1 st Floor), East Lotakhola Joypara Dohar, Dhaka- 1330.	HOTAPARA BRANCH Surma Valley, KRC Commercial and Residential Building, (1 st Floor) Holding # 651, Hotapara, Gazipur Sadar, Gazipur- 1740.
UTTARA BRANCH S M Tower (Ground & 1 st Floor) House # 14, Road # 2, Sector # 3, Jashimuddin Avenue, Uttara Model Town, Dhaka-1230.	ASHULIA BRANCH Ahsan Complex (1 st Floor) Holding No.356/1, Bashundhara EPZ Road Baipile, Ashulia, Savar, Dhaka-1349.
CHATTOGRAM MAIN BRANCH Joy Bangla Tower 36 Agrabad Commercial Area, Chattogram-4000.	PATENGA BRANCH 2455/2514 Airport Road, (Padma Oil Co. Ltd. Guptakhal) Patenga, Chattogram.
GOALABAZAR BRANCH Al Murad Plaza (1 st Floor) Goalabazar, Osmaninagar, Sylhet-3124.	ZAJIRA BRANCH House # 204, North Baiksha Zajira Municipality Thana-Zajira, District-Shariatpur.
KHULNA MAIN BRANCH Matribhasa Bhaban (1 st Floor), House # 63, KDA Avenue Sonadanga, Khulna.	CHAWKBAZAR BRANCH House #16, Water Works Road, Chawkbazar, Dhaka.
ATI BAZAR BRANCH Bepari Plaza, Ghatarchar (Nayagon), Taranagar, Keranigonj, Dhaka.	BHULTA BRANCH Rabet Al Hasan Shopping Center (1 st Floor) Bhulta, Thana Rupgonj, Narayanganj.
PALLA BAZAR BRANCH Vill- Palla, Thana- Chatkhil, Noakhali.	LALDIGHIRPAR BRANCH Rahman Chamber (1 st Floor), Holding # 3162 Raja G.C. Road, Laldighirpar, Bondarbaz, Sylhet.
SATKANIA BRANCH Ula Miah Market (1 st Floor), Keranihat Satkania, Chattogram.	HEMAYETPUR BRANCH Lalon Tower and Shopping Complex (1 st Floor) 1576 Hemayetpur, Savar, Dhaka.
MADHABPUR BRANCH Saiham Future Complex (1 st Floor) Madhabpur Bazar, Madhabpur, Habigonj-3331.	RAJSHAHI BRANCH 166 (1 st floor), Sultanabad (New Market) Ghoramara, Boalia, Rajshahi.
RAHIMANAGAR BAZAR BRANCH A. H. Munshi Tower (1 st floor) Rahimanagar Bazar, Kachua, Chandpur.	DHANMONDI BRANCH Green City Square, Plot # 750 (old) Satmasjid Road, Dhanmondi, Dhaka.



CUMILLA BRANCH Parvin Square, 36, Kandirpar, Ramghat, Laksham Road, Cumilla.	MOGRAPARA BRANCH Ambia Plaza, Mograpara Chowrasta. Sonargaon, Narayanganj.
SREEPUR BRANCH Nurul Islam Khan Complex, Plot # 243, Block # B, DB Road Sreepur Pourashava, Sreepur, Gazipur.	SHAFIPUR BRANCH K Z Tower, Holding # 70/1 Shafipur Bazar Kaliakoir Pourashava, Kaliakoir, Gazipur.
FENI BRANCH Hoque Square, 27/1, SSK Road, Feni Sadar, Feni.	GHONAPARA BRANCH Zaman Centre, Gobra, Ghonapara, Gopalganj.
PAHARTALI RAOZAN BRANCH Haji Moqbul Tower (1 st floor), Pahartali, Chowmuhan Bazar Raozan, Chattogram.	KAZIRHAT BRANCH Five Star Super Market, Dubisaybor, Baro Kandi Kazirhat, Zajira, Shariatpur.
KADAMTOLI BRANCH Rashed Iron Market, 1 st Floor (North Side), Bondo Darkpara Highway Road, Kadamtali, Keraniganj, Dhaka.	ISHWARDI BRANCH Holding # 971/972 (1 st Floor), Station Road, Ishwardi, Pabna.
MIRPUR BRANCH HAL- GBDL Kazi Morning Glory, House # 15, Road # 03, Block # A Mirpur-11, Dhaka.	MEDICAL ROAD BRANCH Iscon Market, Medical Road, Jugaltila, Kazalshah, Sylhet.
DEBIDWAR BRANCH Shonil Tower, Holding # 252, Ward # 05, Debidwar, Cumilla.	PANCHABATI BRANCH Abdur Gafur Super Complex, Harihorpara, Panchabati, Narayanganj.
NAYABAZAR BRANCH 2/1, Ananda Mohon Basak Lane, Nayabazar, Dhaka.	PURBACHAL BRANCH Hazi Abdul Samad Shopping Complex, Brammankhali (Habib Nagar) Near Kanchan Bridge, Rupganj, Narayanganj.
JASHORE BRANCH 16 R.N Road, Jashore.	JAFLONG BRANCH Lebu Chairman Building, Holding # 352 Mamar Bazar, Gowainghat, Jaflong, Sylhet.
	PRAGATI SARANI BRANCH The Alliance Building (Ground Floor), 63/Ka, Paragati Sarani, Baridhara, Dhaka-1212.

Principal Branch ATM

Simpletree Anarkali (Ground Floor)
89 Gulshan Avenue, Gulshan-1, Dhaka-1212.

CHO Extension ATM

House # 43/A, Road # 24, Gulshan Avenue, Gulshan, Dhaka-1212.

Banani ATM

House # 26 (Ground Floor) Road #11, Block # F
Banani, Dhaka - 1213.

Bogura Branch ATM

Bogra Trade Centre (Ground floor), 766(ii) Rangpur Road
Datta Bari, Borogola, Bogra- 5800.

O.R. Nizam Road Branch ATM

Forum Central, 863/B, M.M. Ali Road
Golpahar Circle, Mehediabag, Chattogram.

Joypara Branch ATM

Monowara Mansion (Ground floor)
East Lotakhola, Joypara Dohar, Dhaka- 1330.

Uttara Branch ATM

S M Tower, House # 14, Road # 2, Sector # 3
Jashimuddin Avenue, Uttara Model Town, Dhaka-1230.

Chattogram Main Branch ATM

Joy Bangla Tower
36 Agrabad Commercial Area, Chattogram-4000.

Goala Bazar Branch ATM

Al Murad Plaza (Ground floor), Goala Bazar
Osmaninagar, Sylhet-3124.

Khulna Main Branch ATM

House # 63, Matribhasa Bhaban
KDA Avenue, Sonadanga, Khulna.

Ati Bazar Branch ATM

Bapari Plaza, Ghatarchar (Nayagon) Taranagar, Keraniganj, Dhaka.

PallaBazar Branch ATM

Vill- Palla, Thana- Chatkhil, Noakhali.

Satkania Branch ATM

Ula Miah Market (1st Floor) Keranihat, Satkania, Chattogram.

Madhabpur Branch ATM

Sayhum Future Complex Madhabpur Bazar Madhabpur, Habiganj-3331.

Cumilla Branch ATM

Parvin Square 36, Kandirpar, Ramghat, Laksham Road, Cumilla.

Rahimanagar Bazar Branch ATM

A. H. Munshi Tower (Ground Floor)
Rahimanagar Bazar, Kachua, Chandpur.

Dilkusha Branch ATM

Baliadi Mansion (1st Floor), 16 Dilkusha C/A, Dhaka-1000.

Sylhet Main Branch ATM

ManRu Shopping City (Ground Floor) 891 Mir Box Tula Road
Chowhatta, Kotwali, Sylhet- 3100.

Moulvibazar Branch ATM

Holding # 985 & 986 (Ground Floor)
M Saifur Rahman Road, Moulvibazar.

Panchdona Branch ATM

Jubayer Tower (Ground floor)
Panchdona Bazar, Narsingdi Sadar, Narsingdi-1603.

Hotapara Branch ATM

Surma Valley (KRC Commercial and Residential Building, Ground Floor)
Holding # 65, Hotapara, Gazipur Sadar Gazipur-1740.

Ashulia Branch ATM

Ahsan Complex (Ground Floor), Holding # 356/1, Bashundhara EPZ
Road, Baipile, Ashulia, Savar, Dhaka- 1349.

Zajira Branch ATM

House # 204, North Baiksha Zajira Municipality
Zajira, Shariatpur.

Chawkbazar Branch ATM

House #16, Water Works Road, Chawkbazar, Dhaka.

Bhulta Branch ATM

Rabet Al Hasan Shopping Center (1st Floor) Bhulta
Rupganj, Narayanganj.

Laldighirpar Branch ATM

Rahman Chamber, Holding # 3162, Raza G.C. Road
Ward-14, Laldighirpar, Bondar Bazar, Sylhet.

Hemayetpur Branch ATM

Lalon Tower And Shopping Complex
1576 Hemayetpur, Savar, Dhaka.

Rajshahi Branch ATM

166 Sultanabad (New Market), Ghoramara, Boalia, Rajshahi.

Dhanmondi Branch ATM

Green City Square, Plot # 750 (old)
Satmasjid Road, Dhanmondi, Dhaka.

Mograpara Branch ATM

Ambia Plaza, Mograpara Chowrasta, Sonargaon, Narayanganj.



Sreepur Branch ATM Nurul Islam Khan Complex, Plot # 243, Block # B, DB Road Sreepur Pourashava, Sreepur, Gazipur.	Shafipur Branch ATM K Z Tower, Holding # 70/1 Shafipur Bazar, Kaliakoir Pourashava Kaliakoir, Gazipur.
Feni Branch ATM Hoque Square 27/1 SSK Road, Feni Sadar, Feni.	Ghonapara Branch ATM Zaman Centre, Gobra, Ghonapara, Gopalganj.
Pahartali Raozan Branch ATM Haji Moqbul Tower, Pahartali, Chowmuhani Bazar Raozan, Chattogram.	Kazirhat Branch ATM Five Star Super Market, Dubisaybor, Baro Kandi Kazirhat, Zajira, Shariatpur.
Kadomtoli Branch ATM Rashed Iron Market (North Side), Bondo Darkpara, Highway Road Kadamtali, Keraniganj, Dhaka.	Ishwardi Branch ATM Holding # 971/972, Station Road, Ishwardi, Pabna.
Mirpur Branch ATM HAL- GBDL Kazi Morning Glory, House # 15, Road # 03, Block # A Mirpur-11, Dhaka.	Medical Road Branch ATM Iscon Market, Medical Road, Jugaltilla, Kazalshah, Sylhet.
Debidwar Branch ATM Shopnil Tower, Holding # 252, Debidwar, Cumilla.	Panchaboti Branch ATM Abdur Gafur Super Complex, Harihorpara, Panchabati, Narayanganj.
Purbachal Branch ATM Hazi Abdul Samad Shopping Complex Brammankhali (Habib Nagar), Near Kanchan Bridge, Rugganj, Narayanganj.	Jashore Branch ATM 16 R.N Road, Jashore.
Jaflong Branch ATM Lebu Chairman Building, Holding # 352 Mamar Bazar, Gowainghat, Jaflong, Sylhet.	PRAGATI SARANI BRANCH The Alliance Building (Ground Floor), 63/Ka, Paragati Sarani, Baridhara, Dhaka-1212.

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NRB Bank Limited

Corporate Head Office

Uday Sanz, Plot # 2/B, Road # 134,
Block- SE (A), Gulshan South Avenue
Gulshan-1, Dhaka-1212, Bangladesh.