

NRB Bank Limited

**Independent Auditors' Report and Audited Financial Statements
for the year ended 31 December 2021**

Hoda Vasi Chowdhury & Co

Chartered Accountants

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 2021, 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 give a true and fair view of the financial position as at 31 December 2021, and its financial performance 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 3.15 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 disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the 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 2,985 person hours; and
- xii. capital to risk-weighted asset ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Dhaka, 27 April 2022

DVC 2204280770AS277901



Sabbir Ahmed FCA, Partner

Enrolment no: 770

Hoda Vasi Chowdhury & Co

Chartered Accountants



**NRB Bank Limited
Balance Sheet
as at 31 December 2021**

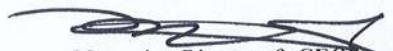
	Notes	31-Dec-2021 Taka	31-Dec-2020 Taka
<u>PROPERTY AND ASSETS</u>			
Cash	4	3,819,277,226	3,140,113,528
Cash in hand (including foreign currencies)	4.1	1,041,954,491	739,719,284
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	4.2	2,777,322,735	2,400,394,244
Balance with other banks and financial institutions	5	3,329,468,287	3,167,659,594
In Bangladesh	5.1	3,180,351,652	3,068,091,239
Outside Bangladesh	5.2	149,116,635	99,568,355
Money at call on short notice		285,400,000	535,500,000
Investments	6	10,384,613,338	7,665,384,722
Government	6.1	7,746,901,199	6,079,258,097
Others	6.2	2,637,712,139	1,586,126,625
Loans and advances/investments	7	40,243,799,326	38,848,570,390
Loans, cash credit, overdrafts etc./investments	7.1	40,134,294,168	38,792,949,133
Bills purchased and discounted	7.2	109,505,158	55,621,257
Fixed assets including premises, furniture and fixtures	8	423,670,630	384,938,747
Other assets	9	2,573,849,520	1,621,318,738
Non - banking assets	10	80,196,000	-
Total assets		61,140,274,327	55,363,485,719
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	4,378,640,019	3,642,983,144
Deposits and other accounts	12	44,754,932,372	41,830,983,438
Current deposits /Al-wadeeah current and other accounts	12.1	10,228,913,239	9,887,349,818
Bills payable	12.2	227,554,613	316,811,897
Savings bank deposits/Mudarabah savings bank deposits	12.3	4,748,996,643	3,831,217,604
Fixed deposits/Mudarabah fixed deposits	12.4	29,549,467,877	27,795,604,119
Bearer certificates of deposit		-	-
Other deposits		-	-
Other liabilities	13	5,004,219,566	4,085,752,364
Total liabilities		54,137,791,957	49,559,718,946
Capital/shareholders' equity			
Paid up capital	14.2	5,905,872,000	4,665,600,000
Statutory reserve	15	786,381,698	660,507,569
Other reserve	16	1,516,910	6,707,198
Retained earnings	17	308,711,762	470,952,006
Total shareholders' equity		7,002,482,370	5,803,766,773
Total liabilities and shareholders' equity		61,140,274,327	55,363,485,719



OFF-BALANCE SHEET ITEMS

	Notes	31-Dec-2021 Taka	31-Dec-2020 Taka
Contingent liabilities	18	12,326,574,190	10,880,863,570
Acceptances and endorsements	18.1	3,242,315,435	1,565,237,575
Letters of guarantee	18.2	6,156,223,432	7,366,294,585
Irrevocable letters of credit	18.3	1,998,287,406	1,325,590,543
Bills for collection	18.4	929,747,918	623,740,867
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		12,326,574,190	10,880,863,570
Net asset value per share (NAV)	38	11.86	12.44

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, 27 April 2022

DVC No: 2204280770AS277901



Sabbir Ahmed, FCA, Partner

Enrollment No: 770

Hoda Vasi Chowdhury & Co

Chartered Accountants



NRB Bank Limited
Profit and Loss Account
for the year ended 31 December 2021

	Notes	Amount in Taka 2021	Amount in Taka 2020
Interest income	20	3,544,405,693	4,065,018,938
Interest paid/Profit Shared on deposits and borrowings etc.	21	(2,444,805,662)	(3,070,333,638)
Net interest income		1,099,600,032	994,685,300
Income from investments	22	1,033,968,530	994,960,846
Commission, exchange and brokerage	23	464,010,808	388,086,630
Other operating income	24	34,856,069	61,478,441
		1,532,835,407	1,444,525,917
Total operating income (A)		2,632,435,439	2,439,211,217
Salaries and allowances	25	797,479,371	798,760,560
Rent, taxes, insurance, electricity etc.	26	263,200,968	312,600,607
Legal and professional expenses	27	8,027,930	5,558,070
Postage, stamp, telecommunication etc.	28	28,404,336	33,130,666
Stationery, printing, advertisements etc.	29	18,538,989	19,632,693
Managing Director's salary and fees	30	9,532,144	13,600,000
Directors' fees and other expenses	31	5,885,377	742,421
Auditors' fees	32	400,000	400,000
Depreciation and repair of bank's assets	33	148,415,540	146,623,100
Other expenses	34	149,494,046	158,436,072
Total operating expenses (B)		1,429,378,700	1,489,484,188
Profit before provision (C=A-B)		1,203,056,738	949,727,028
Provision for loans and advances			
General provision		(7,903,253)	93,948,404
Specific provision		373,879,576	(129,777,502)
		365,976,323	(35,829,098)
Provision for off-balance sheet items		11,397,036	(33,703,162)
Provision for diminution in value of investments		192,061,839	(65,959,197)
Other provisions		4,250,898	126,649,955
Total provision (D)	35	573,686,096	(8,841,501)
Total profit before tax (E=C-D)		629,370,643	958,568,529
Provision for tax			
Provision for current tax	13.6	201,477,439	195,195,492
Deferred tax expense/(Income)		-	82,807,326
Total provision for tax (F)		201,477,439	278,002,818
Net profit after tax (G=E-F)		427,893,204	680,565,711
Appropriations			
Statutory reserve	15	125,874,129	189,814,252
Start-up fund		1,587,319	9,497,270
General reserve		-	-
		127,461,448	199,311,522
Retained surplus for the year		300,431,756	481,254,189
Earnings per share (EPS)(Restated)	39	0.72	1.15

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


Managing Director & CEO

As per our report of same date.

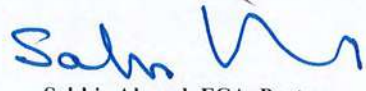
Dhaka, 27 April 2022

DVC No: **2204280770AS277901**


Director


Vice Chairman


Chairman


Sabbir Ahmed, FCA, Partner

Enrollment No: 770

Hoda Vasi Chowdhury & Co

Chartered Accountants



NRB Bank Limited
Cash Flow Statement
for the year ended 31 December 2021

	Notes	2021 Taka	2020 Taka
Cash flows from operating activities			
Interest receipts in cash		3,981,886,667	4,673,761,847
Interest payments		(2,445,492,623)	(3,344,603,866)
Dividend receipts		64,169,900	55,826,174
Fees and commission receipts		464,010,808	388,086,630
Cash payments to employees		(807,011,515)	(753,415,945)
Cash payment to suppliers		(10,295,688)	(8,645,144)
Income tax paid		(165,584,932)	(342,943,056)
Receipts from other operating activities	36	29,856,069	21,924,833
Payments for other operating activities	37	(513,863,284)	(602,010,939)
Cash generated from operating activities before changes in operating assets and liabilities		597,675,403	87,980,535
Increase/(decrease) in operating assets and liabilities:			
Loans and advances to customers		(1,395,228,936)	83,747,588
Other assets		(345,627,414)	(70,848,931)
Deposits from customers		2,923,948,933	21,130,422
Other liabilities		488,529,735	233,874,420
Cash generated from operating assets and liabilities		1,671,622,318	267,903,500
Net cash generated from operating activities		2,269,297,721	355,884,034
Cash flows from investing activities			
(Purchase)/sale of trading securities		(1,667,643,101)	624,016,451
Gain/loss from sale of trading securities, shares, bonds, etc.		424,667,114	294,143,771
(Purchase)/sale of shares and bonds		(1,051,585,514)	(32,630,945)
(Purchase) of property and equipment		(147,020,784)	(31,917,695)
Investment in subsidiary		(499,999,920)	-
Net cash used in investing activities		(2,941,582,205)	853,611,582
Cash flows from financing activities			
Borrowings from other banks, financial institutions and agents		735,656,875	(90,901,771)
Paid up capital through issuing right share		777,600,000	-
Cash dividend paid		-	-
Net Cash flows/(used in) from financing activities		1,513,256,875	(90,901,771)
Net increase in cash and cash equivalents (A+ B + C)		840,972,391	1,118,593,846
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at beginning of the year		6,307,773,122	5,189,179,276
Cash and cash equivalents at end of the year (D+E+F)		7,148,745,513	6,307,773,122
Cash and cash equivalents at end of the year represents			
Cash in hand (including foreign currencies)		1,041,954,491	739,719,284
Balance with Bangladesh Bank and its agent bank (s)		2,777,322,735	2,400,394,244
Balance with other banks and financial institutions		3,329,468,287	3,167,659,594
		7,148,745,513	6,307,773,122
Net operating cash flow per share (NOCFPS)	38	3.84	0.76

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


Managing Director & CEO


Director


Vice Chairman


Chairman

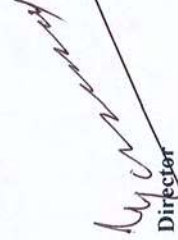


NRB Bank Limited
Statement of Changes in Equity
for the year ended 31 December 2021

Particulars	Paid up capital	Statutory reserve	Other Reserve	Retained earnings	Total
Balance as at 1 January 2021	4,665,600,000	660,507,569	6,707,198	470,952,006	5,803,766,773
Right share issued	777,600,000	-	-	(462,672,000)	777,600,000
Bonus share issued for 2020	462,672,000	-	-	427,893,204	427,893,204
Net profit/(loss) after tax for the year	-	125,874,129	-	(125,874,129)	-
Transfer to statutory reserve	-	-	-	(1,587,319)	(1,587,319)
Start-up fund	-	-	(5,190,289)	-	(5,190,289)
Addition/(adjustment) made during the year	-	-	-	-	-
Balance as at 31 December 2021	5,905,872,000	786,381,698	1,516,910	308,711,762	7,002,482,370
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	-	-	-	680,565,711	680,565,711
Transfer to statutory reserve	-	199,311,522	-	(199,311,522)	-
Start-up fund	-	-	-	(9,497,270)	(9,497,270)
Addition/(adjustment) made during the year	-	-	4,998,239	-	4,998,239
Balance as at 31 December 2020	4,665,600,000	670,004,839	6,707,198	470,952,006	5,803,766,773

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


Managing Director & CEO


Director


Vice Chairman


Chairman



NRB Bank Limited
Liquidity Statement
(Assets and liabilities maturity analysis)
as at 31 December 2021

Particulars	Up to 1 month	1-3 months	3-12 months	1-5 years	Above 5 years	Total
Assets:						
Cash in hand (including balance with Bangladesh Bank and its agent Bank)	3,819,277,226	-	-	-	-	3,819,277,226
Balance with other banks and financial institutions	1,857,868,287	1,471,600,000	-	-	-	3,329,468,287
Money at call and on short notice	285,400,000	-	-	-	-	285,400,000
Investments	8,900,682	9,696,970	2,461,339,446	2,573,658,206	5,331,018,034	10,384,613,338
Loans and advances	7,329,530,262	5,686,035,802	9,697,431,912	10,329,744,442	7,201,056,908	40,243,799,326
Fixed assets including premises, furniture and fixtures	-	-	-	-	423,670,630	423,670,630
Other assets	5,784,070	165,447,996	362,908,610	1,542,906,562	496,802,282	2,573,849,521
Non banking assets	-	-	80,196,000	-	-	80,196,000
Total assets (A)	13,306,760,527	7,332,780,768	12,601,875,968	14,446,309,210	13,452,547,854	61,140,274,327
Liabilities:						
Borrowings from other banks, financial institutions and agents	796,596,167	2,119,976,006	1,462,067,846	-	-	4,378,640,019
Deposits	5,895,949,217	7,475,038,927	25,037,239,960	3,984,469,553	2,362,234,715	44,754,932,372
Provision and other liabilities	116,657,509	1,282,988,407	356,875,133	8,729,714	3,238,968,802	5,004,219,566
Total liabilities (B)	6,809,202,893	8,758,027,334	26,856,182,939	3,993,199,267	5,601,203,517	54,137,791,956
Net liquidity gap (A - B)	6,497,557,634	(1,425,246,566)	(14,254,306,971)	10,453,109,943	7,851,344,337	7,002,482,371



NRB Bank Limited
Notes to the Financial Statements
as at and for the year ended 31 December 2021

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 48 branches, 01 Islami Banking Branch, 11 sub branches & 48 ATM booths and NPSB shared ATM booths all over Bangladesh. The Bank had no overseas branches as at 31 December 2021. The Bank have one subsidiary company namely, NRB Bank Securities PLC incorporated in Bangladesh.

The registered office of the Bank is located at Uday Sanz, Plot # 2/B, Gulshan South Avenue, Gulshan-1, Dhaka 1212, 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, islami banking, trade services, cash management, treasury, securities and custodial services to its customers.

1.3 Islamic banking unit

NRB Bank has got permission for Islami Banking Business vide memo no. BRPD (LS-2)/745(61)/2021-7959 dated 07 September 2021 and Its soft operation inaugurated on 09 September 2021 of our first Islami Banking Branch. Bank is intended to expand operation all over the country in spirit of Islami Shariah.

1.4 NRB Bank Securities PLC

NRB Bank Securities PLC (the company) has been incorporated in Bangladesh on 16 March 2021 as a public limited company under the Companies Act 1994 vide certificate of incorporation no. C-169869/2021. NRB Bank Securities PLC has not commence its business yet. It is a subsidiary company of NRB Bank Limited, a banking company incorporated in Bangladesh under the Banking Companies Act 1991 having its registered office at Uday Sanz, Plot # 2/B, Road # 134, Block - SE(A), Gulshan South Avenue, Gulshan - 1, Dhaka - 1212.

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 and BRPD Circular no 50, dated 14 December 2021, special general provision @ 1% and 1.50% to 2% respectively 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 22, dated 20 September 2021, Non-Banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgaged property.

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 25th 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 25th 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 amortised yearly with resulting gain credited to amortisation 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 recognised 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 sport 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 sport 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 from 1 January to 31 December 2021.

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 period 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 accredited, 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 unrealised 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	Amortised 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 unrealised gain booking.
Shares (Unquoted)	Cost	Lower of cost or Net Asset Value (NAV)	Loss to profit and loss account but no unrealised 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 unrealised 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 recognised at the time of realisation.



General provisions @ 0.25% to 5% under different categories on unclassified loans (standard/SMA), special general provision @ 1% and 1.50 % to 2% 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, BRPD Circular no 56, dated 10 December 2020 and BRPD Circular no 50, dated 14 December 2021. 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% & 1.5% to 2%
Specific provision on:	
Substandard loans and advances other than short term agri credit and micro credit	20%
Doubtful loans and advances other than short term agri credit and micro	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 recognised in accordance with the specific requirements of the IFRS. The cost of an item of property, plant and equipment is recognised 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 unrealised income receivables etc.

3.1.6 Non-banking assets

Non-Banking assets have been recognised in the financial statements as non-earning assets and have been booked 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 as per BRPD circular no 22, dated 20 September 2021.

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 recognised as per the guidelines of Bangladesh Bank and International Financial Reporting Standards (IFRS).

3.2.4 Dividend payments

Interim dividend is recognised only when the shareholders' right to receive payment is established. Final dividend is recognised when it is approved by the shareholders in AGM. Dividend payable to the Bank's shareholders is recognised 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.

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 recognised 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

Authorised capital

The authorised capital of the Bank is the maximum amount of share capital that the Bank is authorised 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 categorised as HTM increases as a result of amortization, the amount thus increased is recognised directly to equity as 'reserve for amortization'. However, any increase in the value of such securities categorised 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 recognised 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 recognised 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 recognised 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.

Profit on investment (Islamic Banking)

Mark-up on investment is taken into income account proportionately from Unearned Income account. Income/compensation on classified investments is transferred to profit/rent/compensation/suspense account instead of income account.

Dividend income

Dividend income from investments is recognised 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 recognised on accrual basis.

Profit paid on deposits (Islamic Banking)

Profit paid to mudaraba deposits is recognised on accrual basis according to Income Sharing Ratio (ISR).

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 recognised in profit or loss except to the extent that it relates to a business combination or items recognised 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 recognised 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 recognised 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 realised 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 recognised 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.

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

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 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

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 and Inspection 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 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.

3.13 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 2021.

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
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
9	Financial Instruments	Complied
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
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.

3.14 Standards issued but not yet effective

The following new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted, but the Bank has not early adopted. However, none of these new and amended standards are expected to have a significant impact on the Bank's financial statements.

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16).
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).
- Annual Improvements to IFRS Standards 2018–2020.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).



3.15 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.

3.16 Approval of financial statements

The financial statements were reviewed by the Audit Committee of the Board of the Bank in its 48th meeting held on 27th April, 2022 and was subsequently approved by the Board in its 136th meeting held on same date.



		31-Dec-2021	31-Dec-2020
		Taka	Taka
4	Cash		
	Conventional and Islamic banking		
	Cash in hand (including foreign currencies) (Note-4.1)	1,041,954,491	739,719,284
	Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies) (Note-4.2)	2,777,322,735	2,400,394,244
		<u>3,819,277,226</u>	<u>3,140,113,528</u>
4.1	Cash in hand (including foreign currencies)		
	Conventional and Islamic banking		
	Local currency	1,019,931,774	698,891,811
	Foreign currencies	22,022,717	40,827,473
		<u>1,041,954,491</u>	<u>739,719,284</u>
4.2	Balance with Bangladesh Bank and its agent Bank(s) (including foreign currencies)		
	Conventional and Islamic banking		
	Local currency	2,582,234,534	2,360,511,959
	Foreign currencies	195,088,201	39,882,285
		<u>2,777,322,735</u>	<u>2,400,394,244</u>
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 2021 is based on weekly average balance of October 2021). Reserve maintained by the bank as at 31 December are as follows:		
	Conventional Banking		
	Average total demand and time liabilities of October 2021	<u>45,198,046,775</u>	<u>42,900,321,669</u>
	Daily basis		
	Required reserve (3.5% of ATDTL)	1,581,931,637	1,501,511,258
	Actual reserve held (4.61 % of ATDTL)	2,082,452,967	2,443,864,862
	Surplus / (deficit)	<u>500,521,330</u>	<u>942,353,604</u>
	Bi-weekly basis:		
	The bank maintained Daily excess cash reserve of TK.50,05,21,330.06 as on December 31, 2021 and Tk.296,89,82,427.75/- (Tk.267,99,87,782.32/- was in December 2020) 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 December 2021.		
	Islamic Banking		
	Average total demand and time liabilities of October, 2021	<u>256,150,582</u>	<u>-</u>
	Daily basis		
	Required reserve (3.5% of ATDTL)	8,965,270	-
	Actual reserve held (48.44 % of ATDTL)	124,090,000	-
	Surplus / (deficit)	<u>115,124,730</u>	<u>-</u>
	Bi-weekly basis:		
	The bank maintained Daily excess cash reserve of TK.11,51,24,729.65 as on December 31, 2021 and Tk.682,39,97,604.58 /- 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 December 2021.		
4.b	Statutory Liquidity Ratio (SLR)		
	Conventional Banking		
	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 2021 is based on weekly average balance of October 2021). Reserve maintained by the bank as at 31 December, 2021 are as follows:		
	Required reserve (13% of ATDTL)	5,875,746,081	5,577,041,817
	Actual reserve held (19.89% of ATDTL) (Note-4.c)	8,989,618,056	7,631,611,390
	Surplus / (deficit)	<u>3,113,871,975</u>	<u>2,054,569,573</u>



	31-Dec-2021	31-Dec-2020
	Taka	Taka
4.c Actual reserve held		
Cash in hand	1,026,151,980	739,719,284
Excess reserve on CRR	274,531,096	727,851,996
Balance with Sonali Bank (local Currency)	67,943,781	84,782,013
Unencumbered approved securities (HFT)	47,782,691	1,949,720,992
Unencumbered approved securities (HTM)	7,417,063,908	4,129,151,606
Unencumbered approved securities (other eligible)	156,144,600	385,500
	<u>8,989,618,056</u>	<u>7,631,611,390</u>
Islamic Banking		
As per section 33 of the Bank Company Act, 1991 (amended upto 2018) & MPID circular no. 02 dated 10 December 2013 issued by Bangladesh bank with effect from 01 February 2014, the bank has maintained SLR of minimum 5.50% 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 October 2021 is based on weekly average balance of October 2021. Reserve maintained by the bank as at 31 December, 2021 are as follows:		
Required reserve (5.50 % of ATDTL)	14,088,282	-
Actual reserve held (99.77% of ATDTL)	255,556,488	-
Surplus / (deficit)	<u>241,468,206</u>	<u>-</u>
4.c.i Actual reserve held		
Cash in hand	15,802,511	-
Excess reserve on CRR	113,843,977	-
Balance with Sonali Bank (local Currency)	-	-
Unencumbered approved securities (HFT)	-	-
Unencumbered approved securities (HTM)	-	-
Unencumbered approved securities (other eligible)	125,910,000	-
	<u>255,556,488</u>	<u>-</u>
4.d Maturity grouping of Cash		
On demand	3,819,277,226	3,140,113,528
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	-	-
	<u>3,819,277,226</u>	<u>3,140,113,528</u>
5 Balance with other banks and financial institutions		
Conventional and Islamic banking		
In Bangladesh	(Note-5.1) 3,180,351,652	3,068,091,239
Outside Bangladesh	(Note-5.2) 149,116,635	99,568,355
	<u>3,329,468,287</u>	<u>3,167,659,594</u>
5.1 In Bangladesh		
Conventional and Islamic banking		
In Current Accounts with		
Trust Bank Limited	8,228	8,228
Brac Bank Limited	1,359,698	1,902,221
Agrani Bank Ltd, Zajira Branch	9,304,767	1,777,155
Eastern Bank Limited	53,949,616	51,758,524
	<u>64,622,309</u>	<u>55,446,128</u>
In Special Notice Deposits Accounts with		
Janata Bank Ltd	6,511,403	849,959,310
Rajshahi Krishi unnayan Bank Ltd	178,583	-
Agrani Bank Limited Islami Banking , Amin Court Branch	100,000,000	-
	<u>106,689,986</u>	<u>849,959,310</u>



In Fixed Deposit Accounts

With banks:

Global Islami Bank
Union Bank limited
Modhumoti Bank Ltd
Rajshahi Krishi unnayan Bank Ltd
AB Bank Ltd
Meghna Bank Ltd

With financial institutions:

International Leasing & Financial Services Ltd.
Prime Finance & Investment Ltd.
Bangladesh Finance Limited
Strategic Finance & Investments Limited
National Finance Limited
GSP Finance Company (Bangladesh) Ltd
IPDC Finance Limited
Reliance Finance Limited
Lanka Bangla Finance Ltd
Bangladesh Finance & Investment Co Limited
Foreast Finance & Investment Limited

**In Mobile Banking Accounts with
bKash Limited**

5.2 Outside Bangladesh (NOSTRO Accounts)

Conventional and Islamic banking

Current accounts

Habib American Bank, New York
United Bank of India
Mizhuo Bank Ltd, Japan
Mashreq Bank PSC, New York
Aktif Bank, Turkey
Bank of Huzhou Co. Ltd.
AB Bank Limited, Mumbai
AXIS Bank Limited, India
BANCA UBAE, SPA
National Commercial Bank

(Details are given in Annexure- B)

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

On demand
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

6 Investments

Government
Others

(Note-6.1)
(Note-6.2)

6.a Investments classified as per Bangladesh Bank Circular:

Held for trading (HFT)
Held to maturity (HTM)
Bangladesh Government Investment SUKUK (Ijarah Sukuk)
Other securities

31-Dec-2021	31-Dec-2020
Taka	Taka
200,000,000	-
200,000,000	-
171,600,000	-
500,000,000	-
300,000,000	-
-	200,000,000
1,371,600,000	200,000,000
148,800,000	148,800,000
35,600,000	42,500,000
30,000,000	-
100,000,000	-
20,000,000	50,000,000
280,000,000	285,000,000
500,000,000	650,000,000
-	130,000,000
400,000,000	430,000,000
-	103,000,000
122,100,000	122,100,000
1,636,500,000	1,961,400,000
939,357	1,285,801
939,357	1,285,801
3,180,351,652	3,068,091,239
25,667,360	11,870,028
14,005,087	10,373,408
61,503	38,975
82,484,745	67,775,051
1,487,932	2,844,560
67,482	-
8,574,855	4,186,150
15,190,076	-
820,687	-
756,908	2,480,183
149,116,635	99,568,355
1,857,868,287	2,467,659,594
1,471,600,000	700,000,000
-	-
-	-
-	-
3,329,468,287	3,167,659,594
7,746,901,199	6,079,258,097
2,637,712,139	1,586,126,625
10,384,613,338	7,665,384,722
47,782,691	1,949,720,992
7,417,063,908	4,129,151,606
281,220,000	-
2,638,546,739	1,586,512,125
10,384,613,338	7,665,384,722



		31-Dec-2021	31-Dec-2020
		Taka	Taka
6.1 Government (Investment in govt. securities) conventional and Islamic Banking			
Treasury bills	(Note-6.1.1)	-	733,697,874
Treasury bonds	(Note-6.1.2)	7,464,846,599	5,345,174,723
Bangladesh Government Investment SUKUK (Ijarah Sukuk)		281,220,000	-
Prize bonds		834,600	385,500
		<u>7,746,901,199</u>	<u>6,079,258,097</u>
6.1.1 Treasury bills			
<i>Unencumbered</i>			
14 days treasury bills		-	-
91 days treasury bills		-	-
182 days treasury bills		-	269,935,812
364 days treasury bills		-	463,762,062
		-	<u>733,697,874</u>
6.1.2 Treasury bonds			
<i>Unencumbered</i>			
2 years treasury bond		172,979,642	698,019,810
5 years treasury bond		1,376,831,481	685,623,791
10 years treasury bond		1,767,087,282	1,148,431,911
15 years treasury bond		2,068,740,695	1,282,122,922
20 years treasury bond		2,079,207,499	1,530,976,290
		<u>7,464,846,599</u>	<u>5,345,174,723</u>

6.1.3 (i) Disclosure regarding outstanding repo as on 31 December 2021

Counter party name	Agreement Date	Reversal Date	Amount in Taka
Janata bank Limited	29-01-2021	05-01-2022	501,491,057

(ii) Disclosure regarding outstanding reverse repo as on 31 December 2021

Counter party name	Agreement Date	Reversal Date	Amount in 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	133,190,000	229,325,000	993,192
With other Banks & Financial Institutions	195,097,800	1,531,238,444	180,397,569
Securities purchased under reverse repo:			
With Bangladesh Bank	-	-	-
With other Banks & Financial Institutions	31,217,257	417,837,658	30,013,158

6.b Investments classified as per Bangladesh Bank Circular:

Held for Trading (HFT)

HFT T-Bills 14 Days	-	-
HFT T-Bills 91 Days	-	-
HFT T-Bills 182 Days	-	269,935,812
HFT T-Bills 364 Days	-	463,762,062
2 Years BGTB – HFT	19,935,320	206,448,420
5 Years BGTB – HFT	10,563,852	286,008,282
10 Years BGTB – HFT	17,283,519	585,433,402
15 Years BGTB – HFT	-	138,133,014
20 Years BGTB – HFT	-	-
	<u>47,782,691</u>	<u>1,949,720,992</u>



Held to Maturity (HTM)

HTM T-Bills 91 Days
HTM T-Bills 182 Days
HTM T-Bills 364 Days
2 Years BGTB – HTM
5 Years BGTB – HTM
10 Years BGTB – HTM
15 Years BGTB – HTM
20 Years BGTB – HTM

31-Dec-2021	31-Dec-2020
Taka	Taka
-	-
-	-
-	-
153,044,322	491,571,390
1,366,267,629	399,615,509
1,749,803,763	562,998,509
2,068,740,695	1,143,989,908
2,079,207,499	1,530,976,290
7,417,063,908	4,129,151,606
7,464,846,599	6,078,872,597

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.

6.2 Others

Conventional and Islamic banking

Corporate bonds (Note-6.2.1)
Ordinary shares and mutual funds (Note-6.2.2)
Preference share (Note-6.2.3)
Commercial paper (Note-6.2.4)

300,000,000	340,000,000
2,182,447,822	898,602,382
155,264,318	277,924,243
-	69,600,000
2,637,712,139	1,586,126,625

6.2.1 Corporate bonds

Mercantile Bank Limited
United Commercial Bank Limited

-	40,000,000
300,000,000	300,000,000
300,000,000	340,000,000

6.2.2 Ordinary Shares and Mutual Funds

Quoted Shares

General Portfolio

Active Fine Chemicals Limited
BRAC Bank Limited
Heidelberg Cement Bangladesh Limited
MJL Bangladesh Limited
ACI Limited
Grameenphone Limited
Premiere Bank Limited
Prime Bank Limited
Olympic industries Limited
Singer Bangladesh Limited
BBS Cables Limited
Esquire Knit Composite Limited
Runner Automobiles Limited
Sea Pearl Beach Resort & Spa Ltd
Coppertech Industries Limited
Mutual Trust Bank Limited
Ring Shine Textiles Ltd
Meghna Petroleum Limited
Robi Axiata Limited
Crystal Insurance Company Limited
Dominage Steel Building Systems Limited
Square Pharmaceuticals Limited
Pioneer Insurance Limited
Paramount Insurance Limited
SK Trims Industries Limited
Linde (BD) Ltd
The City Bank Limited
Master feed Agrotec Ltd
Oryza Agro Industries Ltd
Summit Power Limited
Confidence Cement Limited

-	9,735,840
-	4,950,882
41,888,550	43,459,370
97,181,028	97,181,052
-	9,308,251
-	50,313,173
-	4,579,140
-	7,434,880
34,395,197	25,436,724
-	39,358,131
-	14,762,927
940,050	940,050
-	1,156,998
-	37,300
-	47,410
336,810	336,805
19,905	2,010,600
-	20,194,338
18,289,185	2,712,530
-	108,790
-	248,130
68,220,659	-
358,319,222	-
70,998,273	-
29,559,000	-
16,248,561	-
41,383,715	-
266,490	-
272,440	-
60,132,875	-
106,295,109	-

GPH Ishpat Limited
Mostafa Metal Industries Limited
LankaBangla Finance Ltd.
Beximco Pharmaceuticals Ltd

Special Purpose Fund Portfolio

Bank Asia Ltd.
Golden Harvest Agro Industries Ltd.
Linde Bangladesh Limited
National Polymer Industries Ltd.
Paramount Textile Limited
Renata Ltd.
Summit Power Limited
Pioneer Insurance Limited
SK Trims & Industries Limited
Beximco Green Sukuk Al-istisna'a

Mutual Funds

AIBL 1st Islamic Mutual Fund
Grameen One : Scheme Two Mutual Fund
Peninsula Balanced Fund
LR Global Bangladesh Mutual Fund One
MBL 1st Mutual Fund
Southeast Bank 1st Mutual Fund
Ashuganj Power Station Company Limited Bond
IBBL Mudaraba Perpetual Bond
EXIM Bank 1st Mutual Fund

IPO Application

Union Bank Limited
Union Insurance Company Limited
BD Thai Food and Beverage Limited

Equity Investment

Central Counterparty Bangladesh Limited

Free fund available

(Details are given in Annexure- C)

6.2.3 Preference Share

Union Capital Limited
Ace Alliance Power Limited
Doreen Power House & Technologies Limited
Raj Lanka Power Company Limited
Summit Gazipur II Power Limited
Kushiara Power Company Limited

6.2.4 Commercial Paper

Hashem Food Limited

6.c Remaining maturity grouping of investments

On demand
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
In more than five years

31-Dec-2021	31-Dec-2020
Taka	Taka
11,180,357	-
269,590	-
43,933,068	-
95,867,557	-
1,095,997,642	334,313,321
-	9,248,460
-	16,739,429
-	12,548,422
-	9,232,685
-	5,451,475
-	7,288,285
-	39,665,560
389,640,665	-
209,568,420	-
300,000,000	-
899,209,086	100,174,316
1,995,206,728	434,487,637
-	86,904,179
64,674,900	129,418,186
10,000,000	10,000,000
-	66,965,638
-	53,153,879
21,059,071	30,418,658
-	10,000,000
-	17,188,447
28,298,293	-
124,032,263	404,048,988
21,403,000	-
822,840	-
640,500	-
22,866,340	-
37,500,000	37,500,000
37,500,000	37,500,000
2,842,491	22,565,758
2,182,447,822	898,602,382
8,900,682	8,000,000
36,666,666	45,833,333
-	70,000,000
9,696,970	29,090,910
30,000,000	40,000,000
70,000,000	85,000,000
155,264,318	277,924,243
-	69,600,000
-	69,600,000
8,900,682	110,579,990
9,696,970	582,947,549
2,461,339,446	1,686,923,554
2,573,658,206	1,382,212,893
5,331,018,034	3,902,720,736
10,384,613,338	7,665,384,722



		31-Dec-2021	31-Dec-2020
		Taka	Taka
7	Loans and advances/Investments		
	Loans, cash credit, overdrafts etc./Investments (Note-7.1)	40,134,294,168	38,792,949,133
	Bills purchased and discounted (Note-7.2)	109,505,158	55,621,257
		<u>40,243,799,326</u>	<u>38,848,570,390</u>
7.1	Loans, cash credits, overdrafts etc./Investments		
	<i>Inside Bangladesh</i>		
	Loans - General	31,359,258,379	29,659,062,265
	Cash credit	-	-
	Overdraft	8,535,637,384	8,859,874,903
	Staff loan	239,398,404	274,011,965
		<u>40,134,294,168</u>	<u>38,792,949,133</u>
	<i>Outside Bangladesh</i>	-	-
		<u>40,134,294,168</u>	<u>38,792,949,133</u>
7.2	Bills purchased and discounted/Investments		
	<i>Inside Bangladesh</i>		
	Local bills /documents	62,694,034	41,911,590
	Foreign bills /documents	46,811,124	13,709,667
		<u>109,505,158</u>	<u>55,621,257</u>
7.2.a	Residual maturity grouping of Bills Purchased & Discounted		
	On demand	76,853,424	38,848,679
	In more than one month but not more than three months	21,370,337	13,141,363
	In more than three months but not more than one year	11,281,398	3,631,215
	In more than one year but not more than five years	-	-
	In more than five years	-	-
		<u>109,505,158</u>	<u>55,621,257</u>
7.2.b	Residual maturity grouping of loans and advances including Bills Purchased & Discounted		
	On demand	7,329,530,262	10,980,436,339
	In more than one month but not more than three months	5,686,035,802	2,731,148,893
	In more than three months but not more than one year	9,697,431,912	9,441,179,878
	In more than one year but not more than five years	10,329,744,442	11,464,814,091
	In more than five years	7,201,056,908	4,230,991,189
		<u>40,243,799,326</u>	<u>38,848,570,390</u>
7.3	Loans and advances/Investments on the basis of significant concentration		
7.3.1	Loans and advances/Investments to Directors, executives and others		
	Advance to Directors and their allied concerns	-	-
	Advances to CEO & Managing Director	2,660,413	-
	Advances to Other executives and staffs	239,398,404	274,011,965
	Advances to Customers	24,502,766,784	22,752,855,070
	Industrial loans and advances/Investments	15,498,973,725	15,821,703,355
		<u>40,243,799,326</u>	<u>38,848,570,390</u>
7.3.2	Details of Large loan /Investments		
	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 7,180.11 million as at 31 December 2021.		
	Number of the clients	36	36
	Amount of outstanding loans and advances /Investments	13,802,341,474	14,528,855,098
	Amount of classified loans and advances	-	-
		<u>13,802,341,474</u>	<u>14,528,855,098</u>



7.3.3 Industry-wise concentration of loans and advances/Investments

	31-Dec-2021 Taka	31-Dec-2020 Taka
Agriculture	1,017,260,566	481,157,447
Food & allied industries	1,630,324,066	1,338,990,102
Tobacco	-	-
Readymade garments	2,346,691,561	2,006,095,214
Textiles	2,727,123,798	2,232,790,160
Ship breaking & ship building	218,016,596	813,632,347
Basic metal & steel engineering	1,002,355,315	858,075,130
Non-metallic mineral products	919,332,885	837,689,134
Pharmaceuticals industry	133,324,366	179,267,292
Chemical & chemical products	39,317,053	48,275,699
Rubber & plastic industries	584,740,352	720,659,342
Leather & leather products	480,462,488	645,078,995
Wood, furniture & fixtures	33,429,712	212,376,508
Paper & paper products	206,558,026	177,870,155
Electronic goods & machineries	2,263,893,771	1,965,906,644
Power & gas	860,034,471	1,192,318,080
Other manufacturing industries	2,053,369,266	2,592,678,553
Construction & commercial real estate	6,811,663,117	6,238,515,403
Transport & communication	185,366,313	119,975,227
IT & telecommunication	758,979,933	948,106,001
Medical services	-	14,888,032
Hotel & restaurant services	405,925	408,986
Printing & publishing industries	43,576,505	44,262,005
Other service industries	1,170,523,006	1,128,133,241
NBFIs	585,014,768	567,541,404
Trade & commerce	6,624,590,915	6,137,527,439
Consumer credit	3,238,194,142	3,202,652,826
Credit card	2,098,637,052	1,923,310,921
Staff loan	239,398,404	274,011,965
Others	1,971,214,955	1,946,376,139
	40,243,799,326	38,848,570,390

7.3.4 Sector - wise concentration of loans and advances /Investments

Government sector	-	-
Public sector	-	-
Private sector	40,243,799,326	38,848,570,390
	40,243,799,326	38,848,570,390

7.3.5 Business segment - wise concentration of loans and advances /Investments

Corporate	23,711,234,113	21,269,540,616
SME	12,234,114,585	13,437,278,281
Consumer	4,059,052,224	3,867,739,527
Executives and staff	239,398,404	274,011,965
	40,243,799,326	38,848,570,390

7.3.6 Geographical location-wise concentration of loans and advances/Investments

Inside Bangladesh		
Dhaka Division	29,886,471,945	28,092,312,325
Chittagong Division	6,040,354,178	6,492,682,502
Sylhet Division	1,458,706,652	1,223,515,997
Rajshahi Division	1,002,871,140	1,041,391,232
Khulna Division	1,042,790,601	1,459,355,371
Barisal Division	-	-
Rangpur Division	6,914,871	-
Mymensingh Division	805,689,939	539,312,963
	40,243,799,326	38,848,570,390
Outside Bangladesh	-	-
	40,243,799,326	38,848,570,390



	31-Dec-2021	31-Dec-2020
	Taka	Taka
7.3.7 Security/Collateral-wise concentration of loans and advances/Investments		
Collateral of movable/immovable assets	19,958,294,347	23,030,598,230
Fixed deposit receipts	10,103,140,082	3,077,501,997
FDR of other banks	276,199,810	271,497,159
Personal guarantee	2,979,713,461	10,565,885,995
Other securities	6,926,451,625	1,903,087,009
	<u>40,243,799,326</u>	<u>38,848,570,390</u>
7.3.8 Classified and unclassified bad loans & advances /Investments		
<u>Unclassified</u>		
Standard (Including Staff Loan)	38,420,486,793	37,136,010,530
Special Mention Accounts (SMA)	457,368,846	269,534,952
	<u>38,877,855,639</u>	<u>37,405,545,482</u>
<u>Classified</u>		
Sub-standard	275,049,834	313,817,620
Doubtful	75,350,607	103,064,641
Bad/Loss	1,015,543,246	1,026,142,646
	<u>1,365,943,687</u>	<u>1,443,024,908</u>
	<u>40,243,799,326</u>	<u>38,848,570,390</u>
7.3.9 Particulars of required provision for loans and advances		
<i>General Provision on unclassified loans and advances</i>		
Loans (excluding SMA)	320,254,893	305,797,251
Special mention account (SMA)	3,424,126	2,258,398
Special general provision (COVID-19)	110,172,740	133,699,364
<i>Required provision on unclassified loans and advances</i>	<u>433,851,760</u>	<u>441,755,014</u>
<i>Total provision maintained for unclassified loans and advances</i>	<u>433,851,760</u>	<u>441,755,014</u>
<i>Excess/(shortage) of provision</i>	<u>-</u>	<u>-</u>
<i>Specific provision on classified loans and advances</i>		
Sub-standard	8,103,044	24,894,948
Doubtful	21,373,367	20,975,220
Bad/Loss	1,102,989,113	774,669,819
<i>Required provision on classified loans and advances</i>	<u>1,132,465,525</u>	<u>820,539,986</u>
<i>Total provision maintained for classified loans and advances</i>	<u>1,132,465,525</u>	<u>820,539,986</u>
<i>Excess/(shortage) of provision</i>	<u>-</u>	<u>-</u>
<i>Total Required provision for loans and advances</i>	<u>1,566,317,285</u>	<u>1,262,295,000</u>
<i>Total provision maintained for loans and advances</i>	<u>1,566,317,285</u>	<u>1,262,295,000</u>
<i>Total Excess/(shortage) of provision</i>	<u>-</u>	<u>-</u>
7.3.10 Particulars of loans and advances/investments		
i) Loans/investments considered good in respect of which the bank is fully secured	1,527,640,707	2,187,956,305
ii) Loans/investments considered good against which the bank holds no security other than the debtors' personal guarantee	1,973,413,001	10,859,204,125
iii) Loans/investments considered good secured by the personal undertakings of one or more parties in addition to the personal guarantee of the debtor	1,156,618,801	1,195,968,025
iv) Loans/investments adversely classified; provision not maintained there against	-	-
	<u>4,657,672,510</u>	<u>14,243,128,454</u>
v) Loans/investments due by directors or officers of the bank or any of them either separately or jointly with any other persons	239,398,404	274,011,965



	31-Dec-2021	31-Dec-2020
	Taka	Taka
vi) Loans/investments 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/investments, 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.	255,150,394	337,278,006
viii) Maximum total amount of advances/investments 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.	-	-
ix) Due from banking companies	-	-
x) Information in respect of classified loans and advances		
a) Classified loans for which interest/profit not credited to income		
i. (Decrease)/increase of provision (specific)	328,319,294	(282,695,493)
ii. Amount of loan written off	66,279,997	-
iii. Amount recovered from loans written off	45,966	-
b) Amount of provision kept against loans classified as bad/loss	1,102,989,113	774,669,819
c) Amount of interest creditable to the interest suspense account	557,463,452	341,760,721
xi) Cumulative amount of written off loans/investments		
Opening Balance	-	-
Amount written off during the year	66,279,997	-
Closing Balance	66,279,997	-
The amount of written off loans/investments for which law suit has been filed	61,650,100	-
8 Fixed assets including premises, furniture and fixtures		
Conventional and Islamic banking		
Cost:		
Computer and network equipment	228,325,584	175,544,556
Furniture and fixtures	436,588,130	384,500,794
Vehicle	57,345,395	52,358,282
Machinery and equipment	216,574,675	185,172,505
Mobile phone	3,511,336	2,314,322
Software	184,851,979	180,285,856
Patents	-	-
	1,127,197,099	980,176,316
Less: Accumulated depreciation	703,526,470	595,237,568
Written down value at the end of the year	423,670,630	384,938,747

Details are given in 'Annexure-A'.



		31-Dec-2021 Taka	31-Dec-2020 Taka
9	Other assets		
	Conventional and Islamic banking		
	Equity Investment		
	NRB Bank Securities PLC (note- 1.4)	499,999,920	-
	Other Income generating		
	Income receivable (Note-9.1)	246,230,535	139,327,086
	Non-income generating		
	Stationery, stamps, printing materials, etc.	1,231,346	1,613,825
	Prepaid expenses	11,034,198	5,453,844
	Advance rent	127,924,303	147,832,462
	Security deposits with other entities	1,865,212	2,165,212
	Advance income tax (Note-9.2)	1,072,873,071	907,288,139
	Deferred tax assets (net of liabilities) (Note-9.3)	330,865,325	330,865,325
	Advances to vendors	29,855,952	3,311,124
	Advances to staff for expenses	2,706,949	1,140,464
	Dividend receivable	18,669,669	17,922,576
	Q-Cash and ATM receivable	5,116,163	3,477,163
	Receivable against Sanchaypatra & Bond Encashment	217,018,971	57,711,063
	Sundry receivables	8,457,907	3,210,457
		1,827,619,066	1,481,991,652
		<u>2,573,849,520</u>	<u>1,621,318,738</u>
9.1	Income receivable		
	Interest receivables on Placements	41,176,727	36,339,675
	Interest receivables on Government Securities	117,515,212	93,756,240
	Interest receivables on Non-government Securities	5,600,000	6,165,333
	Interest receivables on Loans & Advances	49,829,364	-
	Interest Receivables on Other Bank Balance	32,109,231	3,065,837
		<u>246,230,535</u>	<u>139,327,086</u>
9.2	Advance income tax		
	Opening balance	907,288,139	564,345,083
	Add: Addition during the year	165,584,932	342,943,056
	Closing balance	<u>1,072,873,071</u>	<u>907,288,139</u>
9.3	Deferred tax asset (net off liability)		
	Deferred tax asset	330,865,325	330,865,325
	Deferred tax liability	-	-
		<u>330,865,325</u>	<u>330,865,325</u>

10 Non-banking assets

The Bank was awarded absolute ownership on few mortgaged properties through the verdict of honorable court under section 33(7) of the Artharin Adalat Act 2003. These were recorded as non banking assets as per valuation report submitted by enlisted surveyor "Inspection Engineering & Survey Ltd.". Following are the details

Non earning asset

Name of Parties	Asset details	Entitlement on		
Al-Fahad Air Ticketing and Medical Tourism Ltd.	133.66 decimals Land	December 12, 2021	80,196,000	-
			<u>80,196,000</u>	<u>-</u>



		31-Dec-2021 Taka	31-Dec-2020 Taka
11	Borrowings from other banks, financial institutions and agents		
	Conventional and Islamic banking		
	Inside Bangladesh	(Note-11.a) 4,378,640,019	3,642,983,144
	Outside Bangladesh	-	-
		<u>4,378,640,019</u>	<u>3,642,983,144</u>
11.a	In Bangladesh		
	Demand Borrowing		
	Uttara Bank Ltd	400,000,000	-
	Sonali Bank Ltd	-	100,000,000
	One Bank Limited	150,000,000	-
	Eastern Bank Limited	110,000,000	-
	Bank Asia Ltd.	-	-
	Bangladesh Bank	136,596,167	41,128,163
		<u>796,596,167</u>	<u>141,128,163</u>
	Term Borrowing		
	Agrani Bank Ltd.	-	500,000,000
	Bank Asia Ltd.	500,000,000	300,000,000
	NCC Bank Ltd.	400,000,000	-
	Uttara Bank Ltd.	-	800,000,000
	Mutual Trust Bank Ltd.	-	200,000,000
	Rupali Bank Ltd	1,000,000,000	600,000,000
	Bangladesh Bank	1,682,043,851	1,101,854,981
		<u>3,582,043,851</u>	<u>3,501,854,981</u>
		<u>4,378,640,019</u>	<u>3,642,983,144</u>
11.b	Residual maturity grouping of borrowings from other banks, financial institutions and agents		
	On demand	796,596,167	1,441,128,163
	In more than one month but not more than three months	2,119,976,006	1,308,931,161
	In more than three months but not more than one year	1,462,067,846	817,297,890
	In more than one year but not more than five years	-	75,625,930
	In more than five years	-	-
		<u>4,378,640,019</u>	<u>3,642,983,144</u>
12	Deposits and other accounts		
	Conventional and Islamic banking		
	Current deposits /Al-wadeeah current and other accounts	(Note-12.1) 10,228,913,239	9,887,349,818
	Bills payable	(Note-12.2) 227,554,613	316,811,897
	Savings bank deposits/Mudarabah savings bank deposits	(Note-12.3) 4,748,996,643	3,831,217,604
	Fixed deposits/Mudarabah fixed deposits	(Note-12.4) 29,549,467,877	27,795,604,119
	Bearer certificates of deposit	-	-
	Other deposits	-	-
		<u>44,754,932,372</u>	<u>41,830,983,438</u>
12.1	Current deposits /Al-wadeeah current and other accounts		
	Current accounts	9,209,977,259	9,060,135,970
	Foreign currency deposits	306,004,891	171,198,864
	Deposit margin on facilities	712,931,089	656,014,984
		<u>10,228,913,239</u>	<u>9,887,349,818</u>
12.2	Bills payable		
	Local currency	227,554,613	316,811,897
	Foreign currencies	-	-
		<u>227,554,613</u>	<u>316,811,897</u>



	31-Dec-2021	31-Dec-2020
	Taka	Taka
12.3 Savings bank deposits/Mudarabah savings bank deposits		
NRB savers	1,953,576,816	1,530,252,724
NRB power savers	1,194,664,232	985,189,458
NRB staff	23,179,991	25,060,710
NRB my savings	527,099,827	414,853,550
NRB my study	9,634,787	9,003,943
NRB my salary	142,931,783	115,794,127
NRB my early	37,973,643	30,241,971
NRB pearl	597,262,445	526,647,214
NRB amar shopno	914,603	2,105,221
NRB isavings	8	756
Mudarabah Savings Account	40,689,983	-
Bondhu Shasroy Account	153,681,465	146,453,597
Bondhu Sonchita Account	64,607,596	44,306,090
Bondhu Student Account	2,779,464	1,308,244
	4,748,996,643	3,831,217,604
12.4 Fixed deposits/Mudarabah fixed deposits		
Fixed deposits	22,931,856,386	23,300,319,411
Short term deposits	6,617,611,490	4,495,284,708
	29,549,467,877	27,795,604,119
12.5 Sector-wise break-up of deposits and other accounts		
Government	1,011,486,813	1,048,447,163
Other public sector	4,734,118,302	7,243,282,030
Private sector	39,009,327,257	33,539,254,245
	44,754,932,372	41,830,983,438
12.6 Segregation of deposits and other accounts		
Other than inter-bank deposits	44,299,965,016	41,626,062,132
Inter-bank deposits	454,967,355	204,921,306
	44,754,932,372	41,830,983,438
12.6.1 Details of inter-bank deposits		
In Current Deposit Account		
Trust Bank Limited	2,547,160	2,478,042
Southeast Bank Limited	349,221	235,611
Jamuna Bank Limited	436,303	468,674
Premier Bank Limited	510,974	510,974
Mercantile Bank Limited	201,832	1,228,005
	4,045,489	4,921,306
In Fixed Deposit Account		
NCC Bank Limited	-	200,000,000
United Commercial Bank Limited	450,921,866	-
	450,921,866	200,000,000
	454,967,355	204,921,306
12.7 Maturity-wise grouping of deposits and other accounts		
On demand	5,895,949,217	4,766,798,642
In more than one month but not more than three months	7,475,038,927	6,449,822,756
In more than three months but not more than one year	25,037,239,960	24,386,199,436
In more than one year but not more than five years	3,984,469,553	3,344,934,303
In more than five years	2,362,234,715	2,883,228,301
	44,754,932,372	41,830,983,438
13 Other liabilities		
Conventional and Islamic banking		
Privileged creditors (Note-13.1)	144,813,187	131,273,997
Interest payable	531,864,382	532,551,343
Interest suspense account (Note-13.2)	557,463,452	341,760,721
Provision for loans and advances/investments (Note-13.3)	1,566,317,285	1,262,295,000

		31-Dec-2021	31-Dec-2020
		Taka	Taka
Provision for off-balance sheet exposures	(Note-13.4)	113,968,263	102,571,227
Provision for diminution of quoted shares	(Note-13.5)	265,607,630	73,545,791
Provision for other assets		131,339,854	127,088,955
Provision for expenses		28,493,695	18,824,638
Provision for current tax	(Note-13.6)	1,403,720,081	1,202,242,642
Provision for non-banking assets		41,582,320	-
Provision for start-up fund		11,084,589	9,497,270
Q-Cash & ATM payable		42,741,679	24,321,279
Security deposits held		8,729,714	5,305,905
Sanchayapatra payable		200,000	15,350,000
Payable against BEFTN		1,848,260	1,181,806
Advance lease rental payable		19,042,493	40,558,134
Deposit Awaiting Disposal (DAD)		54,340,905	47,795,957
Suspense account - Trade		23,005,692	32,029,700
Interest subsidy-COVID-19		-	57,759,000
Miscellaneous payable		58,056,085	59,798,997
		<u>5,004,219,566</u>	<u>4,085,752,364</u>

13.1 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	45,335,308	45,843,656
VAT deduction at source	13,773,876	10,888,414
Excise duty	85,704,003	74,541,927
	<u>144,813,187</u>	<u>131,273,997</u>

13.2 Interest suspense account

Opening balance	341,760,721	186,423,673
Add: Amount transferred to "Interest Suspense" A/c during the year	282,788,899	162,471,773
	<u>624,549,621</u>	<u>348,895,446</u>
Less: Amount recovered from "Interest Suspense" A/c during the year	54,677,222	7,134,725
Amount written off during the year	12,408,946	
	<u>557,463,452</u>	<u>341,760,721</u>

13.3 Provision for loans and advances/investments

A. General		
Balance at the beginning of the year	441,755,013	348,050,818
Add: Provision made/(released) during the year		
On general loans and advances	14,457,643	(32,712,426)
On Special Mention Account (SMA)	1,165,728	(7,038,534)
Special general provision (COVID-19)	(23,526,624)	133,699,364
	<u>(7,903,253)</u>	<u>93,948,404</u>
Less : Provision reversed due to loan settlement	-	(244,209)
	<u>(7,903,253)</u>	<u>93,704,195</u>
Balance at the end of the year	<u>433,851,760</u>	<u>441,755,013</u>
B. Specific		
Balance at the beginning of the year	820,539,986	1,109,513,256
Add: Provision made/(released) (net of recovery) during the year	373,879,576	(129,777,502)
On recovery from loans written off earlier		
	<u>373,879,576</u>	<u>(129,777,502)</u>
Less : Provision reversed due to loan settlement	-	(159,195,768)
On fully provided debt written off during the year	(61,954,037)	-
Balance at the end of the year	<u>1,132,465,525</u>	<u>820,539,986</u>
C. Total provision on loans and advances/investments (A+B)	<u>1,566,317,285</u>	<u>1,262,295,000</u>



	31-Dec-2021 Taka	31-Dec-2020 Taka
13.4 Provision on off-balance sheet exposures		
Opening balance	102,571,227	136,274,389
Add: Provision made during the year	11,397,036	(33,703,162)
	<u>113,968,263</u>	<u>102,571,227</u>
13.5 Provision for diminution of quoted shares		
Opening balance	73,545,791	139,504,988
Add: Provision made during the year	192,061,839	(65,959,197)
	<u>265,607,630</u>	<u>73,545,791</u>
13.6 Provision for current tax		
Opening balance	1,202,242,642	1,007,047,150
Add: Provision made during the year	201,477,439	195,195,492
	<u>1,403,720,081</u>	<u>1,202,242,642</u>

Reconciliation of effective tax rate

Particulars	2021 (Standalone)		2020 (Standalone)	
	%	Taka	%	Taka
Profit before income tax as per profit and loss account		629,370,643		508,452,454
Income tax as per applicable tax rate	40.00%	251,748,257	40%	203,380,982
Factors affecting the tax charge for current year				
Inadmissible expenses	79.91%	502,927,995	100%	507,960,275
Admissible expenses in the current year (i.e. write-off etc.)	-25.31%	(159,280,111)	-26%	(133,308,068)
Tax exempted income	-1.64%	(305,114,046)	-72%	(365,272,014)
Tax savings from reduced tax rates for dividend	-0.40%	(1,983,399)	-2%	(11,152,305)
Tax loss/(savings) from reduced tax rates for capital gain	0.00%	(83,005,124)	-2%	(7,889,261)
Reversal of previous years' excess tax	-7.60%	(49,000,000)	0%	-
Effect of deferred tax	-14.26%	45,183,867	0%	1,475,884
Total income tax expenses	32.01%	201,477,439	38.39%	195,195,492

13.a Nostro Reconciliation

	As per our book		As per their book	
	Debit (USD)	Credit (USD)	Debit (USD)	Credit (USD)
Up to three months	208,782	1,462,240	2,211,455	1,270,300
More than three months but less than six months	-	-	-	15,702
More than six months but less than nine months	-	-	-	-
More than nine months but less than twelve months	-	-	-	-
More than twelve months	-	-	-	-
	<u>208,782</u>	<u>1,462,240</u>	<u>2,211,455</u>	<u>1,286,002</u>

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.

14 Share capital

14.1 Authorized capital

1,000,000,000 ordinary shares of Taka 10 each	<u>10,000,000,000</u>	<u>10,000,000,000</u>
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14.2 Issued, subscribed and fully paid up capital

590,587,200 ordinary shares of Taka 10 each issued for cash

31-Dec-2021	31-Dec-2020
Taka	Taka

5,905,872,000

4,665,600,000

14.3 Percentage of shareholdings as at 31 December.

Particulars	2021		2020	
	Value of shares	(%) of share holding	Value of shares	(%) of share holding
Shareholders' group				
Directors	2,778,884,560	47.05	2,307,314,470	49.45
Sponsor Shareholders	2,231,078,120	37.78	1,380,446,000	29.59
General Shareholders	895,909,320	15.17	977,839,530	20.96
	5,905,872,000	100.00	4,665,600,000	100.00

14.4 Name of the Directors and their shareholdings as at 31 December.

SL No.	Name of the directors	Designation	2021		2020	
			(%) of share holding	Number of Shares	(%) of share holding	Number of Shares
1	Mr. Mohammed Mahtabur Rahman	Chairman	3.58%	21,128,760	3.46%	16,160,000
2	Mr. Tateyama Kabir	Vice Chairman	2.59%	15,291,990	3.13%	14,580,000
3	Mr. Mohammed Jamil Iqbal	Vice Chairman	3.96%	23,412,564	4.63%	21,578,400
4	Mr. Ali Ahmed	Director	2.18%	12,897,113	1.38%	6,415,200
5	Mr. Khandakar R. Amin	Director	2.37%	13,981,744	2.00%	9,331,200
6	Mr. Iqbal Ahmed OBE DBA	Director	4.45%	26,257,000	4.63%	21,600,000
7	Mr. Mohammed Jahed Iqbal	Director	3.10%	18,308,724	2.63%	12,247,200
8	Mr. Abdul Karim	Director	4.27%	25,226,510	5.00%	23,328,000
9	Mr. M Badiuzzaman	Director	3.85%	22,751,669	4.49%	20,969,280
10	Mr. Humayen Kabir Khan	Director	1.48%	8,766,529	1.48%	6,925,500
11	Dr. Mohammed Ehsanur Rahman	Director	4.52%	26,701,970	4.80%	22,408,667
12	Mr. Mohammed Ashfaqur Rahman*	Director	4.08%	24,119,278	---	---
13	Mr. Mohammed Nazam Uddin*	Director	0.57%	3,386,936	---	---
14	Mr. Dulal Ahmed*	Director	0.31%	1,801,968	---	---
15	Ms. Bayzun N Chowdhury*	Director	0.75%	4,429,404	---	---
16	Dr. Rafa Jaigirdar*	Director	4.98%	29,426,297	---	---
17	Mr. Md. Abdul Jalil Chowdhury	Independent Director	N/A	N/A	N/A	N/A
18	Mr. Md. Motior Rahman	Independent Director	N/A	N/A	N/A	N/A
19	Dr. Md. Kamrul Ahsan	Independent Director	N/A	N/A	N/A	N/A
20	Mr. Imtiaz Ahmed**	---	---	---	0.50%	2,332,800
21	Dr. Nesar Ahmed Choudhury**	---	---	---	0.63%	2,916,000
22	Mr. Naveed Rashid Khan**	---	---	---	5.00%	23,328,000
23	Mr. Mohammed Idrish Farazy**	---	---	---	0.58%	2,700,000
24	Mr. Nafih Rashid Khan**	---	---	---	4.63%	21,578,400

				31-Dec-2021	31-Dec-2020
				Taka	Taka
25	Mr. Mohammed Giash Uddin**	---	---	0.50%	2,332,800
	Total		47.05%	49.45%	230,731,447

* Newly appointed Director during 2021

** No longer Director as on 31 December 2021

14.5 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-1 Capital:

A) Total Common Equity Tier 1 Capital

Paid up capital

Statutory reserve

Retained earnings

5,905,872,000	4,665,600,000
786,381,698	660,507,569
308,711,762	470,952,006
7,000,965,459	5,797,059,575
368,674,435	328,215,994
6,632,291,024	5,468,843,581

Less: Regulatory adjustments

A) Total Common Equity Tier 1 Capital

B) Additional Tier 1 Capital:

Add: Additional Tier 1 Capital

Less: Regulatory adjustments

C) Total Tier-1 Capital

-	-
-	-
6,632,291,024	5,468,843,581

Tier 2 Capital (Gone -Concern Capital)

Subordinated bond

General provision maintained against unclassified loan

General provision on off-balance sheet items

Asset revaluation reserve

Revaluation reserve of Government securities

-	-
433,851,760	441,755,013
113,968,263	102,571,227
-	-
-	-
547,820,023	544,326,240

Less: Regulatory adjustments

D) Total Tier 2 Capital

-	-
547,820,023	544,326,240

E) Total eligible capital(C+D)

7,180,111,047	6,013,169,821
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F) Total risk weighted assets (RWA)

Credit risk

Balance Sheet Business

Off- Balance Sheet Business

29,344,919,126	28,770,427,615
3,000,169,646	3,047,181,446
32,345,088,773	31,817,609,061

Market Risk

Operational Risk

3,263,338,938	1,853,015,303
3,775,040,517	3,740,140,679
39,383,468,228	37,410,765,042

G) Required capital

4,000,000,000	4,000,000,000
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H) Capital surplus

3,180,111,047	2,013,169,821
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Capital to Risk-Weighted Assets Ratio/Capital adequacy ratio:

Common Equity Tier- 1 / core capital to RWA against minimum requirement 4.5%

Tier- 1 / core capital to RWA minimum requirement 6%

Capital to Risk Weighted Assets against minimum requirement 10%

16.84%	14.62%
16.84%	14.62%
18.23%	16.07%

15 Statutory reserve

As per Section 24(1) of the Bank Companies Act, 1991, an amount equivalent to 20% of profit before taxes for the year has been transferred to the statutory reserve fund.

Opening balance

Add: Addition during the year (20% of pre-tax profit)

660,507,569	470,693,317
125,874,129	189,814,252
786,381,698	660,507,569

		31-Dec-2021	31-Dec-2020
		Taka	Taka
16	Other reserve		
	General reserve	-	-
	Revaluation reserve (Note-16.1)	1,516,910	6,707,198
		<u>1,516,910</u>	<u>6,707,198</u>
16.1	Revaluation reserve		
	Held to maturity (HTM) (Note-16.1.1)	926,466	796,959
	Held for trading (HTF) (Note-16.1.2)	590,444	5,910,239
		<u>1,516,910</u>	<u>6,707,198</u>
16.1.1	Reserve for amortization of treasury securities (HTM)		
	Opening balance	796,959	1,078,288
	Add Addition during the year	497,036	132,668
		1,293,995	1,210,956
	Less Adjustment made during the year	367,529	(413,997)
		<u>926,466</u>	<u>796,959</u>
16.1.2	Reserve for revaluation of treasury securities (HFT)		
	Opening balance	5,910,239	630,671
	Add Addition during the year	84,985,116	255,750,861
		90,895,355	256,381,532
	Less Adjustment made during the year	90,304,911	250,471,293
		<u>590,444</u>	<u>5,910,239</u>
17	Retained earnings		
	Opening balance	470,952,006	(10,302,183)
	Add Net profit/(loss) for the year	427,893,204	671,068,441
		898,845,210	660,766,258
	Less Transfer to statutory reserve	125,874,129	189,814,252
	Bonus Share issued	462,672,000	-
	Transfer to start-up fund	1,587,319	-
		<u>308,711,762</u>	<u>470,952,006</u>
18	Contingent liabilities		
	Conventional and Islamic banking		
	Acceptances and endorsements (Note-18.1)	3,242,315,435	1,565,237,575
	Letters of guarantee (Note-18.2)	6,156,223,432	7,366,294,585
	Irrevocable letters of credit (Note-18.3)	1,998,287,406	1,325,590,543
	Bills for collection (Note-18.4)	929,747,918	623,740,867
		<u>12,326,574,190</u>	<u>10,880,863,570</u>
18.1	Acceptances and Endorsements		
	Conventional and Islamic banking		
	Acceptances (ULC Cash)	1,787,460,137	897,347,818
	Acceptances BTB Usance Local	1,319,363,852	561,693,470
	Import Bills (Sight Contract)	-	-
	Shipping Guarantee	135,491,446	106,196,287
		<u>3,242,315,435</u>	<u>1,565,237,575</u>
18.2	Letters of Guarantee		
	Directors	-	-
	Government	-	-
	Banks and other financial institution	-	-
	Others (Customers etc.)	6,156,223,432	7,366,294,585
		<u>6,156,223,432</u>	<u>7,366,294,585</u>



		31-Dec-2021	31-Dec-2020
		Taka	Taka
18.3 Irrevocable letters of credit			
Letter of Credit Cash Sight		666,686,112	458,945,408
Letter of Credit Cash Usance		532,556,565	406,334,283
Letter of Credit Back to Back Sight		68,814,385	37,064,752
Letter of Credit Back to Back Usance		730,230,344	423,246,100
		<u>1,998,287,406</u>	<u>1,325,590,543</u>
18.4 Bills for Collection			
Foreign documentary bills collection		574,627,229	289,712,462
Local documentary bills collection		355,120,689	334,028,405
		<u>929,747,918</u>	<u>623,740,867</u>
19 Income statement			
Income:			
Interest, discount and similar income	(Note-19.1)	3,931,659,436	4,612,648,706
Dividend income		64,916,993	55,761,525
Fees, commission and brokerage	(Note-19.2)	407,585,490	317,521,093
Gains <i>less</i> losses arising from dealing in securities		305,114,046	365,272,014
Gains <i>less</i> losses arising from investment securities		276,683,748	26,297,538
Gains <i>less</i> losses arising from dealing in foreign currencies		56,425,318	70,565,537
Income from non-banking assets		-	-
Other operating income	(Note-24)	34,856,069	61,478,441
Profit less losses on interest rate changes		-	-
		<u>5,077,241,100</u>	<u>5,509,544,854</u>
Expenses:			
Interest paid on deposits and borrowings, etc.	(Note-21)	2,444,805,662	3,070,333,638
Losses on loans and advances		-	-
Administrative expenses	(Note-19.3)	1,171,380,753	1,222,204,758
Other expenses	(Note-34)	149,494,046	158,436,072
Depreciation on banks assets	(Note-33)	108,503,901	108,843,358
		<u>3,874,184,362</u>	<u>4,559,817,826</u>
		<u>1,203,056,738</u>	<u>949,727,028</u>
19.1 Interest, discount and similar income			
Interest income	(Note-20)	3,544,405,693	4,065,018,938
Interest on treasury bills & bonds		387,253,743	547,629,768
		<u>3,931,659,436</u>	<u>4,612,648,706</u>
19.2 Fees, commission and brokerage			
Commission		407,585,490	317,521,093
Brokerage		-	-
		<u>407,585,490</u>	<u>317,521,093</u>
19.3 Administrative expenses			
Salaries and allowances (Note 25)	(Note-25)	797,479,371	798,760,560
Rent, taxes, insurance, electricity, etc.	(Note-26)	263,200,968	312,600,607
Legal and professional expenses	(Note-27)	8,027,930	5,558,070
Postage, stamp, telecommunication, etc.	(Note-28)	28,404,336	33,130,666
Stationery, printing, advertisement, etc.	(Note-29)	18,538,989	19,632,693
Managing Director's salary and fees	(Note-30)	9,532,144	13,600,000
Directors' fees & others expenses	(Note-31)	5,885,377	742,421
Auditors' fees	(Note-32)	400,000	400,000
Repair of Bank's assets	(Note-33)	39,911,638	37,779,742
		<u>1,171,380,753</u>	<u>1,222,204,758</u>



		31-Dec-2021 Taka	31-Dec-2020 Taka
20	Interest income		
	Conventional and Islamic banking		
	Interest on advances	3,296,720,833	3,878,946,570
	Interest on money at call and short notice	19,873,148	23,589,862
	Interest on balance with other banks	56,848,876	4,532,885
	Interest on placement with other banks and Financial Institutions	170,962,836	157,949,621
		<u>3,544,405,693</u>	<u>4,065,018,938</u>
21	Interest paid on deposits and borrowings etc.		
	Conventional and Islamic banking		
	Interest on deposits	2,367,742,620	2,915,433,172
	Interest on borrowings	77,063,042	154,900,466
		<u>2,444,805,662</u>	<u>3,070,333,638</u>
22	Investment income		
	Conventional and Islamic banking		
	Interest on Treasury Bill	2,433,085	64,681,064
	Interest on Treasury Bond	563,051,638	529,429,572
	Interest on Int. Income on Govt. SUKUK	7,376,241	-
	Interest on bonds-Corporate	23,794,667	13,258,667
	Interest on Commercial Paper	4,579,517	37,686,247
	Capital Gain from trading in Govt. Securities	305,114,046	365,272,014
	Trading loss on Govt. Securities	(157,130,680)	(97,425,782)
	Capital Gain from sale of quoted Securities	276,683,748	26,297,538
	Loss on sale of shares Traded in Secondary Market	(56,850,725)	-
	Dividend on shares	64,916,993	55,761,525
		<u>1,033,968,530</u>	<u>994,960,846</u>
23	Commission, exchange and brokerage		
	Conventional and Islamic banking		
	Fees, commission and charges (Note-23.1)	407,585,490	317,521,093
	Exchange gain (net off exchange loss)	56,425,318	70,565,537
	Brokerage	-	-
		<u>464,010,808</u>	<u>388,086,630</u>
23.1	Fees, commission and charges		
	Conventional and Islamic banking		
	Loan processing fees	12,526,392	4,655,391
	Service charges (Periodic and adhoc)	75,618,485	59,010,763
	Early settlement fees	2,851,621	4,178,812
	Cards fees and charges (net of cards direct expenses) (Note-23.1.a)	154,412,709	120,923,727
	Commission on general banking (PO, FDD, Remittance etc.)	16,227,850	6,824,259
	Commission on trade business (LC, LG, Acceptance)	145,948,433	121,928,141
		<u>407,585,490</u>	<u>317,521,093</u>
23.1.a	Cards fees and charges (net of cards direct expenses)		
	Cards fees and charges		
	Fees and charges (Debit, prepaid cards etc.)	16,708,146	14,309,411
	Fees and charges (Credit cards)		
	Annual fees	16,471,000	15,593,500
	Late payment and overlimit fees	46,575,298	16,299,096
	Cash advance fees	9,849,863	7,934,071
	Interchange reimbursement fees	32,327,951	22,269,583
	Risk assurance premium	34,671,015	31,221,857
	Card cheque fees	26,638,503	26,530,306
	Visa Markup Fees and EMI Commission	1,687,868	7,188,705
	Replacement fees and others	1,406,580	1,196,805
		<u>169,628,077</u>	<u>128,233,923</u>
		<u>186,336,223</u>	<u>142,543,334</u>
	Cards direct expense		
	Membership Fee	3,798,413	2,121,250
	VISA network charges	22,471,689	14,301,715
	Other Charges	5,653,412	5,196,641
		<u>31,923,514</u>	<u>21,619,606</u>
	Total Cards fees and charges (net of cards direct expenses)	<u>154,412,709</u>	<u>120,923,727</u>



	31-Dec-2021	31-Dec-2020
	Taka	Taka
24 Other operating income		
Conventional and Islamic banking		
Rebate on nostro account	6,919,456	7,155,878
Swift charge recovered	5,955,831	4,518,000
Postage/telex charge recovered	1,175,565	1,489,497
Gain from sale of fixed assets	-	4,572,226
Other Income - PF Forfeiture	5,000,000	14,981,382
Non operating income	15,805,217	28,761,458
	<u>34,856,069</u>	<u>61,478,441</u>
25 Salaries and allowances		
Conventional and Islamic banking		
Basic salary	320,091,956	323,319,012
Allowances	360,941,169	374,776,269
Performance bonus	30,329,059	-
Festival bonus	51,860,933	54,099,715
Bank's Contribution to provident fund	26,016,613	27,137,948
Contribution to gratuity fund	8,239,640	19,427,616
	<u>797,479,371</u>	<u>798,760,560</u>
26 Rent, taxes, insurance, electricity etc.		
Conventional and Islamic banking		
Rent, rate and taxes	202,560,728	247,309,392
Insurance premium	30,418,007	29,291,199
Utilities	30,222,234	36,000,016
	<u>263,200,968</u>	<u>312,600,607</u>
27 Legal expenses and professional expenses		
Conventional and Islamic banking		
Legal expenses	4,852,321	3,136,353
Other professional expenses	3,175,609	2,421,717
	<u>8,027,930</u>	<u>5,558,070</u>
28 Postage, stamps, telecommunication etc.		
Conventional and Islamic banking		
Postage & Courier charges	2,504,034	2,865,038
Telephone	2,578,322	3,903,871
Swift and Bloomberg charges	7,849,105	10,063,442
Network link, internet, DC and DR	15,472,874	16,298,315
	<u>28,404,336</u>	<u>33,130,666</u>
29 Stationery, printing, advertisements etc.		
Conventional and Islamic banking		
Printing and stationery	10,295,688	8,645,144
Publicity and advertisement	5,686,161	9,139,372
Promotional Expense	2,557,140	1,848,177
	<u>18,538,989</u>	<u>19,632,693</u>
30 Managing Director's salary and allowances		
Basic salary	3,964,286	9,500,000
Allowances	3,171,429	1,250,000
Performance bonus	1,000,000	-
Festival bonus	1,000,000	1,900,000
Bank's Contribution to provident fund	396,429	950,000
	<u>9,532,144</u>	<u>13,600,000</u>



	31-Dec-2021	31-Dec-2020
	Taka	Taka
31 Directors' fees and other expenses		
Meeting attendance fees	4,416,000	304,000
Other expenses	1,469,377	438,421
	<u>5,885,377</u>	<u>742,421</u>
32 Auditors' fees		
Statutory audit fees	400,000	400,000
	<u>400,000</u>	<u>400,000</u>
33 Depreciation and repair of bank's assets		
Conventional and Islamic banking		
Depreciation: (Annexure 'A')		
Furniture and fixtures	39,129,657	38,658,904
Machinery and equipment	23,437,790	23,204,948
Computer and network equipment	20,172,702	18,302,300
Mobile Phone	633,394	500,407
Vehicles	3,708,981	6,088,783
Software	21,421,377	22,088,016
	<u>108,503,901</u>	<u>108,843,358</u>
Repair of bank's assets		
Rented premises	3,414,483	2,486,132
Machinery and equipment	6,581,787	5,462,865
Computer and accessories	367,508	326,223
Software maintenance	29,547,860	29,504,522
	<u>39,911,638</u>	<u>37,779,742</u>
	<u>148,415,540</u>	<u>146,623,100</u>
34 Other expenses		
Conventional and Islamic banking		
Car expenses	3,447,295	5,542,925
Security Guard	34,803,830	32,534,349
Books, periodicals and publications	1,014,156	910,533
Donation and subscription	34,461,244	42,627,025
Staff recruitment and training expenses	157,318	608,682
Travelling expenses	3,374,984	3,137,744
Directors' travel and accommodation expenses	3,743,597	935,738
Entertainment	6,630,897	4,296,955
Business development expenses	1,891,142	4,780,492
Bank and other regulatory charges	6,620,160	1,425,266
Cash carrying expense	7,383,836	7,438,700
AGM expenses	338,469	-
Contract point verification expenses	2,160,227	2,747,876
Sales and collection commission	19,594,404	34,452,508
Miscellaneous expenses	23,872,488	16,997,279
	<u>149,494,046</u>	<u>158,436,072</u>
35 Provision for loans and advances/ investments & off balance sheet items		
Conventional and Islamic banking		
Provision for bad and doubtful loans and advances	373,879,576	(129,777,502)
Provision for unclassified loans and advances	(7,903,253)	93,948,404
Provision for off-balance sheet items	11,397,036	(33,703,162)
Provision for diminution in value of investments	192,061,839	(65,959,197)
Provision for other assets	4,250,898	126,649,955
	<u>573,686,096</u>	<u>(8,841,501)</u>
36 Receipts from other operating activities		
Conventional and Islamic banking		
Rebate on nostro account	6,919,456	7,155,878
Swift charge recovered	5,955,831	4,518,000
Postage/telex charge recovered	1,175,565	1,489,497
Non operating income	15,805,217	8,761,458
	<u>29,856,069</u>	<u>21,924,833</u>



	31-Dec-2021	31-Dec-2020
	Taka	Taka
37 Payments for other operating activities		
Conventional and Islamic banking		
Rent, rates and taxes	263,200,968	312,600,607
Legal expenses and professional expenses	8,027,930	5,558,070
Postage and communication charges, etc.	28,404,336	33,130,666
Stationery, printing, advertisements etc.	18,538,989	19,632,693
Directors' fees & other expenses	5,885,377	742,421
Miscellaneous expenses	189,805,685	196,615,814
	<u>513,863,284</u>	<u>568,280,270</u>
38 Net asset value (NAV) per share		
a) Capital / shareholders' equity for the year	7,002,482,370	5,803,766,773
b) Number of outstanding shares	590,587,200	466,560,000
Net asset value (NAV) per share (a÷b)	<u>11.86</u>	<u>12.44</u>
Net operating cash flow per share (NOCFPS)		
a) Operating cash flow for the year	2,269,297,721	355,884,034
b) Weighted average number of share	590,587,200	466,560,000
Net operating cash flow per share (a÷b)	<u>3.84</u>	<u>0.76</u>
The net operating cash flow has been significantly increased due to significant growth of deposit by private sector.		
39 Earnings per share (Restated)		
Net profit after tax	427,893,204	680,565,711
Number of ordinary shares outstanding	590,587,200	590,587,200
Earnings per share (Restated)	<u>0.72</u>	<u>1.15</u>

Earnings per share has been calculated in accordance with IAS 33: "Earnings Per Share (EPS)".



40 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 126th meeting held on 26 September 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. Md. Motior Rahman	Independent Director	Chairman	M.Com (Accounting)
2	Mr. Mohammed Jamil Iqbal	Vice Chairman	Vice Chairman	B A (Hons)
3	Mr. Mohammed Ashfaqur Rahman	Director	Member	MBA
4	Mr. Dulal Ahmed	Director	Member	HSC
5	Dr. Md. Kamrul Ahsan	Independent Director	Member	Ph.D (Environmental Science)

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 as on 31.12.2021:

38th Audit Committee Meeting held on 26.01.2021
 39th Audit Committee Meeting held on 14.02.2021
 40th Audit Committee Meeting held on 21.03.2021
 41st Audit Committee Meeting held on 26.04.2021
 42nd Audit Committee Meeting held on 24.06.2021
 43rd Audit Committee Meeting held on 08.07.2021
 44th Audit Committee Meeting held on 15.09.2021
 45th Audit Committee Meeting held on 01.11.2021

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.

41 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%



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
		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%
		Rich & Ruitz, France	Director	
		Al Haramain Perfumes, London	Director	
		Al Haramain Perfumes Inc, New York, USA	Managing Director	
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	Proprietor	100%
		Sumday Development Company Ltd., Bangladesh	Managing Director	25%
		K M International	Proprietor	100%
		Soft Bangla Ltd.	Chairman	50%
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, Bangladesh	Proprietor	100%
		Jamil Iqbal Ltd.	Chairman	50%
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%
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%
		Gallitos Mexicans (Restaurant), USA	Proprietor	100%



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
		Hotel New York (Residential), Dhaka	Proprietor	100%
		KH Carbon Factory, Faridpur	Proprietor	100%
		Khandakar 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. 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, Bangladesh	Proprietor	100%
		Jahed Iqbal Ltd. UK	Director	100%
		Desert Star Trading LLC, UAE	Partner	24%
		Jamil Iqbal Ltd., Bangladesh	Managing Director	50%
		Sumday Development Company Ltd., Bangladesh	Director	25%
		Anurag Property Development Ltd.	Chairman	50%
		Iqbal Logistics Ltd.	Managing Director	50%
		JI Trading & Co.	Proprietor	100%
		Iqbal Tours & Travels	Proprietor	100%
		Jahed Construction UK Ltd.	Director	100%
Mr. Abdul Karim	Director	Hassan Shahin Ahmed Perfumes L.L.C. Dubai, UAE	Proprietor	100%
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%
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%
Dr. Mohammed Ehsanur Rahman	Director	Al Haramain Trading L.L.C, UAE	Director/ Partner	
		Al Haramain Hospital Pvt Ltd., BD	Managing Director	20%
		Al Haramain Perfumes Pvt Ltd., UAE	Director	20%
		Hamidia Tea State Ltd., BD	Director	33%



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 Ashfaqur Rahman	Director	Al Haramain Trading Company LLC, UAE	Director	10%
		Al Haramain Perfumes Pvt. Limited, BD	Director	20%
		Al Haramain Hospital Pvt. Ltd, BD	Director	20%
		Hamida Tea Company Ltd., BD	Director	33%
		NRBC Bank Limited, BD	Shareholder	1.70%
Mr. Mohammed Nazam Uddin	Director	Nagor Property's Ltd, UK	Director	60%
		STTRN Ltd, London, UK	Director	60%
Mr. Dulal Ahmed	Director	The Voujon, UK	Managing Director	100%
		Spice Station, UK	Director	50%
		Pound Plus, UK	Director	50%
Ms. Bayzun N Chowdhury	Director	Al Haramain Perfumes Group LLC, UAE	Advisor	
		Sonali Securities Ltd	Director	20%
		Al Haramain Perfumes Pvt. Ltd., BD	Advisor	
		Al Haramain Hospital Pvt. Ltd., BD	Advisor	
Dr. Rafa Jaigirdar	Director	Al Haramain Hospital Pvt Ltd., BD	Deputy Managing Director	Nominated
Mr. Md. Abdul Jalil Chowdhury	Independent Director	Nil	Nil	Nil
Mr. Md. Motior Rahman	Independent Director	Nil	Nil	Nil
Dr. Md. Kamrul Ahsan	Independent Director	Nil	Nil	Nil
Mr. Mamoon Mahmood Shah	Managing Director & CEO	Nil	Nil	Nil

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 2021
Manru Shopping City	Mr. Iqbal Ahmed OBE DBA	Rental payment for NRBBL Sylhet Main Br, Sylhet.	3,571,155
Advance Zaman Centre	Mr. M. Badiuzzaman	Rental payment for NRBBL Ghonapar Br, Gopalganj.	497,700
Ocean Auto	Mr. Tateyama kabir	Prado Jeep purchase for Honorable Chairman	4,500,000
Ocean Auto	Mr. Tateyama kabir	Lease rental payment of vehicle	1,500,000

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

42 Auditors work hour

The external auditor of the Bank, M/s Hoda Vasi Chowdhury & Co, Chartered Accountants worked about 2,985 man hour. They have reviewed more than 80% of the Bank's risk weighted assets as at the Balance Sheet date.

43 General

Highlights on the overall activities of the bank have been furnished in Annexure - D.



Annexure-A

NRB Bank Limited
Schedule of fixed assets
as at 31 December 2021

Particulars	Cost				Rate of Depreciation	Accumulated Depreciation			Written down value as at 31 December 2021
	Balance as at 1 January 2021	Additions during the year	Disposal/ adjustment during the year	Balance as at 31 December 2021		Balance as at 1 January 2021	Charged during the year	Disposal/ adjustment during the year	Balance as at 31 December 2021
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka
Tangible assets:									
Furniture and fixture	384,500,794	52,087,336	-	436,588,130	10%	161,804,363	39,129,657	-	200,934,020
Machinery and equipment	185,172,505	31,402,170	-	216,574,675	20%	134,486,270	23,437,790	-	157,924,060
Computer and network equipment	175,544,557	52,996,028	(215,000)	228,325,585	20%	131,932,598	20,172,702	(215,000)	151,890,300
Mobile Phone	2,314,322	1,197,014	-	3,511,336	50%	1,944,297	633,394	-	2,577,691
Vehicle	52,358,282	4,987,113	-	57,345,395	20%	39,448,548	3,708,981	-	43,157,529
Intangible assets:									
Software	180,285,856	4,566,123	-	184,851,979	12.5%	125,621,492	21,421,377	-	147,042,869
As at 31 December 2021	980,176,316	147,235,784	(215,000)	1,127,197,100		595,237,568	108,503,901	(215,000)	703,526,470
As at 31 December 2020	948,258,621	49,143,111	(17,225,416)	980,176,316		499,341,553	108,843,358	(12,947,343)	595,237,568
									384,938,747



Annexure-B

NRB Bank Limited
Balance with other banks-Outside Bangladesh (Nostro Account)
as at 31 December 2021

Name of the Bank	Account type	Currency type	2021			2020		
			FC amount	Exchange rate	Equivalent Taka	FC amount	Exchange rate	Equivalent Taka
Habib American Bank, New York	CD	USD	299,153.38	85.80	25,667,360	139,974.93	84.80	11,870,028
United Bank of India	CD	ACU	119,424.38	85.80	10,246,612	75,770.19	84.80	6,425,395
United Bank of India	CD	ACU EUR	38,601.60	97.37	3,758,476	38,003.46	103.89	3,948,012
Mizhuo Bank Ltd, Japan	CD	JPY	82,388.00	0.75	61,503	47,588.00	0.82	38,975
Mashreq Bank PSC, New York	CD	USD	961,360.67	85.80	82,484,745	799,223.73	84.80	67,775,051
Aktif Bank, Turkey	CD	GBP	8,682.68	115.71	1,004,672	-	-	-
Aktif Bank, Turkey	CD	EUR	4,963.34	97.37	483,260	27,381.66	103.89	2,844,560
Bank of Huzhou Co. Ltd.	CD	RMB	5,008.46	13.47	67,482	-	-	-
AB Bank Limited, Mumbai	CD	ACU	99,940.04	85.80	8,574,855	49,364.34	84.80	4,186,150
AXIS Bank Limited, India	CD	ACU	177,040.51	85.80	15,190,076	-	84.80	-
BANCA UBAE, SPA	CD	EUR	8,428.90	97.37	820,687	-	-	-
National Commercial Bank	CD	SAR	33,108.13	22.86	756,908	109,758.13	22.60	2,480,183
					149,116,635			99,568,355



NRB Bank Limited
Investment in Quoted Shares and Mutual Funds
as at 31 December 2021

Annexure- C

Name of the Company	Face value per share	No. of shares	Cost of holding	Average Cost	Quoted rate per share as on 31.12.2021	Total market value of share as at 31.12.2021	Unrealised gain/(loss)
Quoted Shares							
General Portfolio							
Heidelberg Cement Bangladesh Limited	10	80,000	41,888,550	523.61	272.40	21,792,000	(20,096,550)
MJL Bangladesh Limited	10	840,000	97,181,028	115.69	88.30	74,172,000	(23,009,028)
Olympic Industries Limited	10	180,000	34,395,197	191.08	160.60	28,908,000	(5,487,197)
Esquire Knit Composite Limited	10	20,890	940,050	45.00	35.00	731,150	(208,900)
Mutual Trust Bank Limited	10	12,705	336,810	26.51	19.60	249,018	(87,792)
Ring Shine Textiles Ltd	10	2,312	19,905	8.61	9.60	22,195	2,290
Robi Axiata Limited	10	370,000	18,289,185	49.43	34.60	12,802,000	(5,487,185)
Square Pharmaceuticals Limited	10	300,000	68,220,659	227.40	214.30	64,290,000	(3,930,659)
Pioneer Insurance Limited	10	2,029,103	358,319,222	176.59	116.90	237,202,141	(121,117,082)
Paramount Insurance Limited	10	588,000	70,998,273	120.75	73.30	43,100,400	(27,897,873)
SK Trims Industries Limited	10	500,000	29,559,000	59.12	29.80	14,900,000	(14,659,000)
Linde (BD) Ltd	10	10,808	16,248,561	1,503.38	1,579.80	17,074,478	825,917
The City Bank Limited	10	1,440,000	41,383,715	28.74	27.30	39,312,000	(2,071,715)
Master feed Agrotec Ltd	10	26,649	266,490	10.00	9.60	255,830	(10,660)
Oryza Agro Industries Ltd	10	27,244	272,440	10.00	10.40	283,338	10,898
Summit Power Limited	10	1,300,000	60,132,875	46.26	38.90	50,570,000	(9,562,875)
Confidence Cement Limited	10	700,000	106,295,109	151.85	121.90	85,330,000	(20,965,109)
GPH Ishpat Limited	10	200,000	11,180,357	55.90	53.00	10,600,000	(580,357)
LankaBangla Finance Ltd.	10	1,100,000	43,933,068	39.94	37.30	41,030,000	(2,903,068)
Beximco Pharmaceuticals Ltd	10	465,000	95,867,557	206.17	192.70	89,605,500	(6,262,057)
Mostafa Metal Industries Limited	10	26,959	269,590	10.00	10.70	288,461	18,871
Total		10,219,670	1,095,997,642			832,518,512	(263,479,130)

Name of the Mutual Fund	Face value per share	No. of shares	Cost of holding	Average Cost	Quoted rate per share as on 31.12.2021	Total market value of share as at 31.12.2021	Unrealised gain/(loss)	NAV @ Market Price	85% of NAV @ Market Price	Required Provision
Mutual Funds										
Southeast Bank 1st Mutual Fund	10	2,577,600	21,059,071	8.17	10.00	25,776,000	4,716,929	10.61	9.02	-
Grameen One : Scheme Two	10	3,600,000	64,674,900	17.97	15.40	55,440,000	(9,234,900)	20.44	17.37	(2,128,499.52)
EXIM Bank 1st Mutual Fund	10	3,000,000	28,298,293	9.43	6.20	18,600,000	(9,698,293)	11.81	10.04	-
Peninsula Balanced Fund	10	1,000,000	10,000,000	10.00	10.00	10,000,000	-	13.83	11.76	-
Total			124,032,263			109,816,000	(14,216,263)			(2,128,500)
			1,220,029,905			942,334,512	(277,695,393)			



Annexure-D

NRB Bank Limited
Highlights on the overall activities
as at 31 December 2021

SL No.	Particulars		2021	2020
1	Paid-up capital	Taka	5,905,872,000	4,665,600,000
2	Total capital (Tier-1 & Tier-2)	Taka	7,180,111,047	6,013,169,821
3	Surplus\ (Shortage) Capital	Taka	3,180,111,047	2,013,169,821
4	Total assets	Taka	61,140,274,327	55,363,485,719
5	Total deposits	Taka	44,754,932,372	41,830,983,438
6	Total loans and advances/investments	Taka	40,243,799,326	38,848,570,390
7	Total contingent liabilities and commitments	Taka	12,326,574,190	10,880,863,570
8	Loans to deposits ratio (total loans/total deposits)	%	82.62%	85.52%
9	Percentage of classified loans against total loans and advances/investments	%	3.39%	3.71%
10	Profit after tax and provision	Taka	427,893,204	680,565,711
11	Classified loans during current year	Taka	1,365,943,687	1,443,024,908
12	Provisions kept against classified loans/investments	Taka	1,132,465,525	820,539,986
13	Provision surplus/(deficit) against classified loans /investments	Taka	-	-
14	Cost of fund (Interest expenses/Average deposits and borrowings)	%	5.09%	6.53%
15	Interest earning assets	Taka	58,308,788,711	53,496,555,319
16	Non-interest earning assets	Taka	2,831,485,615	1,866,930,400
17	Return on assets (ROA) [PBT/ Average assets]	%	0.73%	1.22%
19	Income from investment	Taka	1,033,968,530	994,960,846
18	Return on investment (ROI)	%	11.46%	12.50%
20	Earnings per share	Taka	0.72	1.15
21	Net income per share	Taka	0.72	1.15



**NRB Bank Limited
Islamic Banking Operations
as at for the year ended 31 December 2021**

The operation of our Islamic Banking is totally different from the Bank's conventional operation as the former operates their business on the basis of Islamic Shariah. Accounting system is vital for ensuring Shariah compliance in such banking operation. Our Islamic Banking operation is committed to follow the accounting principles that refrain from interest. In a nutshell, we follow under noted principles for accounting under its Islamic Banking umbrella.

1 Deposit Collection and Income Sharing Ratio (ISR) based Profit Distribution

For procuring funds from depositors, our Islamic Banking follows Al-Wadiah and Mudaraba principles. In case of Al-Wadiah Account, no profit is allowed at present. But for Mudaraba depositors, NRB is following Income Sharing technique in our Islamic Banking operation.

Income sharing module of NRB Bank has been appreciated by different quarters/institutions/ organizations, particularly by the Central Shariah Board for Islamic Banks of Bangladesh and Islamic Banks Consultative Forum. Our module offers pre-defined Income Sharing Ratio (ISR) for each type of depositor and the Bank. The ISR determines the portion of income for each type of depositor and the Bank. For example, the ISR of 75 : 25 would mean that 75% of distributable income is to be shared by the concerned depositors and the rest 25% to be shared by the Bank. The ISR between each type of Mudaraba depositors and the Bank are duly disclosed at the time of Account opening and/or beginning of the concerned period. Profit rate is emerged at actual, as derived from the income fetched from deployment of the concerned fund. As such our rate of profit on deposit under Islamic Banking is nothing but a post facto expression of the respective agreed sharing ratios. Our profit rate is an output based on the Bank's earning on investment.

2 Investment Operation and Return Thereon

Investments of our Islamic Banking are broadly categorized in the following two types in respect of charging (rate of) return:

*Fixed return based investment

Fixed return based investment system is applicable for our Bai-Murabaha Investment mode. Under this mode, Bank sells the goods to a client at a fixed profit /mark-up on deferred payment including post import basis. Hire Purchase Shirkatul Melk (HPSM) is also a fixed return based investment mode. In this case rate of rent is fixed but amount of rent becomes variable on the basis of diminishing balance method.

3 Income/ Revenue Recognition Principle

The bank earns income from various sources such as charges, fees, commission and investment income. To recognize all sorts of income, Bank follows Shariah principle strictly. Usually charges, fees & commission etc. are recognized on actual basis. Recognition of income from investment follows principles as under:

For Bai-Murabaha Investment

While creating each deal, in case of Bai-Murabaha mode of investment, markup/profit is added to the bank's purchase cost with a credit to unearned income A/c. Thereafter time apportionment of profit is recognized out of the unearned income amount at the end of each month on accrual basis. Allowance (rebate) for early repayment, if any, may however be applied at Bank's discretion.

For Hire Purchase Shirkatul Melk (HPSM) Investment

In case of HPSM mode of investment rent is charged and taken into income account at the end of each month on accrual basis.

If the account has a provision of gestation period, generally no income is earned during the period. In this case income starts just after the end of gestation period. However rent is chargeable in spite of gestation, if the delivery of asset is completed in usable condition such as a machine or a set of machinery or building etc.

All accrual income is subject to prevailing classification and provisioning rules of Bangladesh Bank.

4 Cost Recognition Principle

Cost in respect of profit paid on deposit is recognized on accrual basis. Monthly accruals in this respect are calculated on the basis of Income Sharing Ratio. Other costs are also recognized on the accrual basis following the matching concept of Accounting.

To ensure/ supervise Shariah compliance in banking operation, NRB Bank has a knowledgeable Shariah Supervisory Committee comprising renowned Fuqaha, Islamic bankers and academicians conversant in Islamic Economics & Finance.



**NRB Bank Limited
Islamic Banking Operations
Balance Sheet
as at 31 December 2021**

	Notes	31 December 2021	31 December 2020
		Taka	Taka
<u>PROPERTY AND ASSETS</u>			
Cash		139,892,511	-
Cash in hand (including foreign currencies)		15,802,511	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		124,090,000	-
Balance with other banks and financial institutions		100,000,000	-
In Bangladesh		100,000,000	-
Outside Bangladesh		-	-
Placement with other banks and financial institutions		400,000,000	-
Investments		125,910,000	-
Government		125,910,000	-
Others		-	-
Investments		612,009,338	-
General investments		612,009,338	-
Bills purchased and discounted		-	-
Fixed assets including premises, furniture and fixtures		1,903,831	-
Other assets		2,214,807	-
		-	-
Total assets		1,381,930,487	-
<u>LIABILITIES AND CAPITAL</u>			
Liabilities			
Placement from other banks, financial institutions and agents		-	-
Deposits and other accounts		844,650,414	-
Al-Wadeeah Current Account and other accounts		12,352,409	-
Bills payable		15,806,818	-
Mudarabah Savings deposits		40,689,983	-
Mudarabah Term Deposit Account		775,801,204	-
Other liabilities		537,280,073	-
Total liabilities		1,381,930,487	-
<u>OFF-BALANCE SHEET ITEMS</u>			
Contingent liabilities		-	-
Acceptances and endorsements		-	-
Letters of guarantee		-	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Other contingent liabilities		-	-
Total off-Balance Sheet items including contingent liabilities		-	-



**NRB Bank Limited
Islamic Banking Operations
Profit and Loss Account
for the year ended 31 December 2021**

	Amount in Taka 2021	Amount in Taka 2020
Investment income	15,644,976	-
Profit paid on deposits and borrowings etc.	(4,974,218)	-
Net investment income	10,670,758	-
Profit from investments	32,169	-
Commission, exchange and brokerage	1,433,212	-
Other operating income	590	-
	1,465,971	-
Total operating income (A)	12,136,729	-
Salaries and allowances	1,263,087	-
Rent, taxes, insurance, electricity etc.	1,116,861	-
Legal and professional expenses	-	-
Postage, stamp, telecommunication etc.	9,969	-
Stationery, printing, advertisements etc.	218,303	-
Depreciation and repair of bank's assets	67,620	-
Other expenses	293,148	-
Total operating expenses (B)	2,968,987	-
Profit before provision (C=A-B)	9,167,742	-
Provision for investments		
General provision	6,120,093	-
Specific provision	-	-
	6,120,093	-
Provision for off-balance sheet items	-	-
Total provision (D)	6,120,093	-
Total profit before tax (E=C-D)	3,047,649	-

