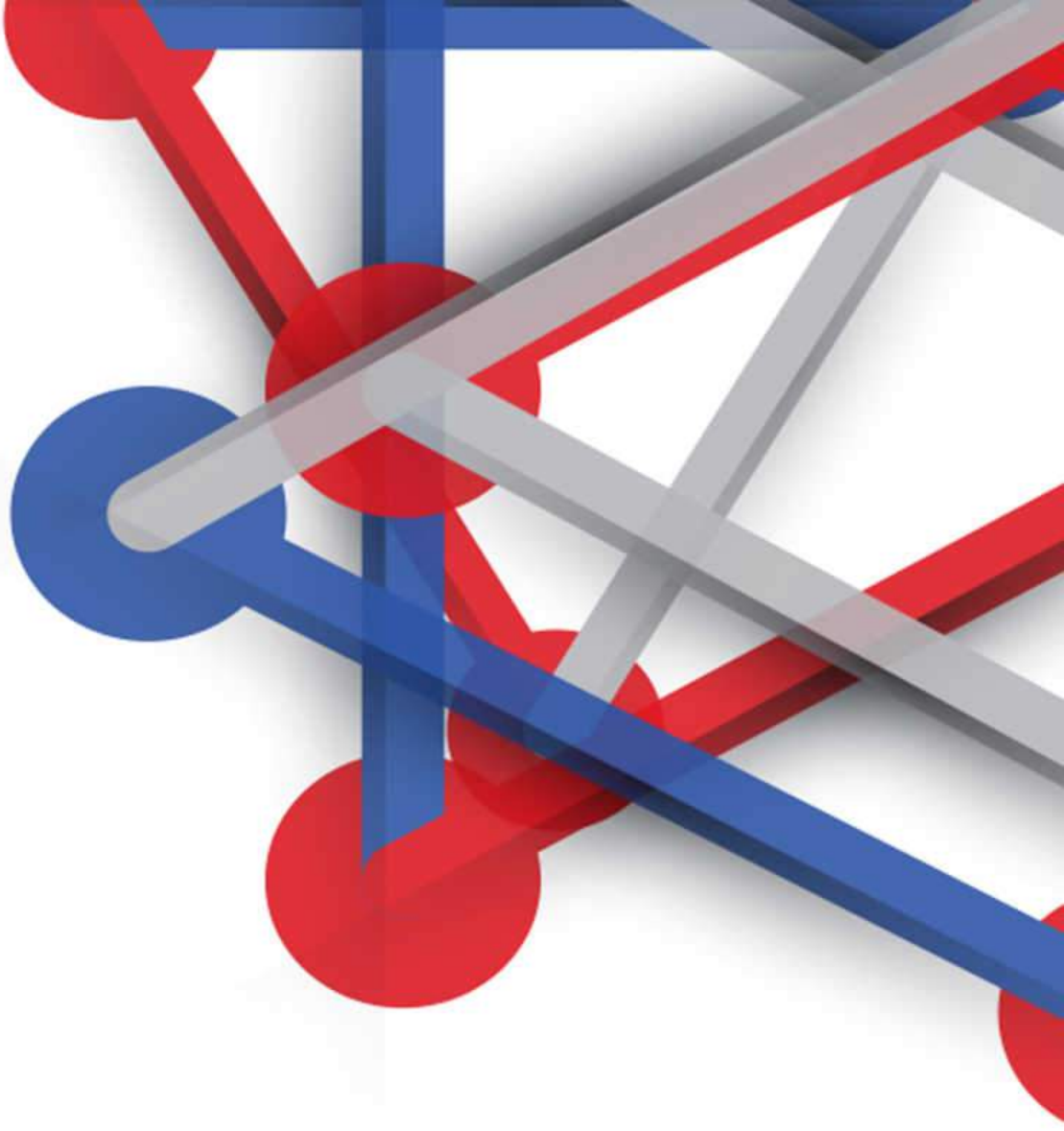
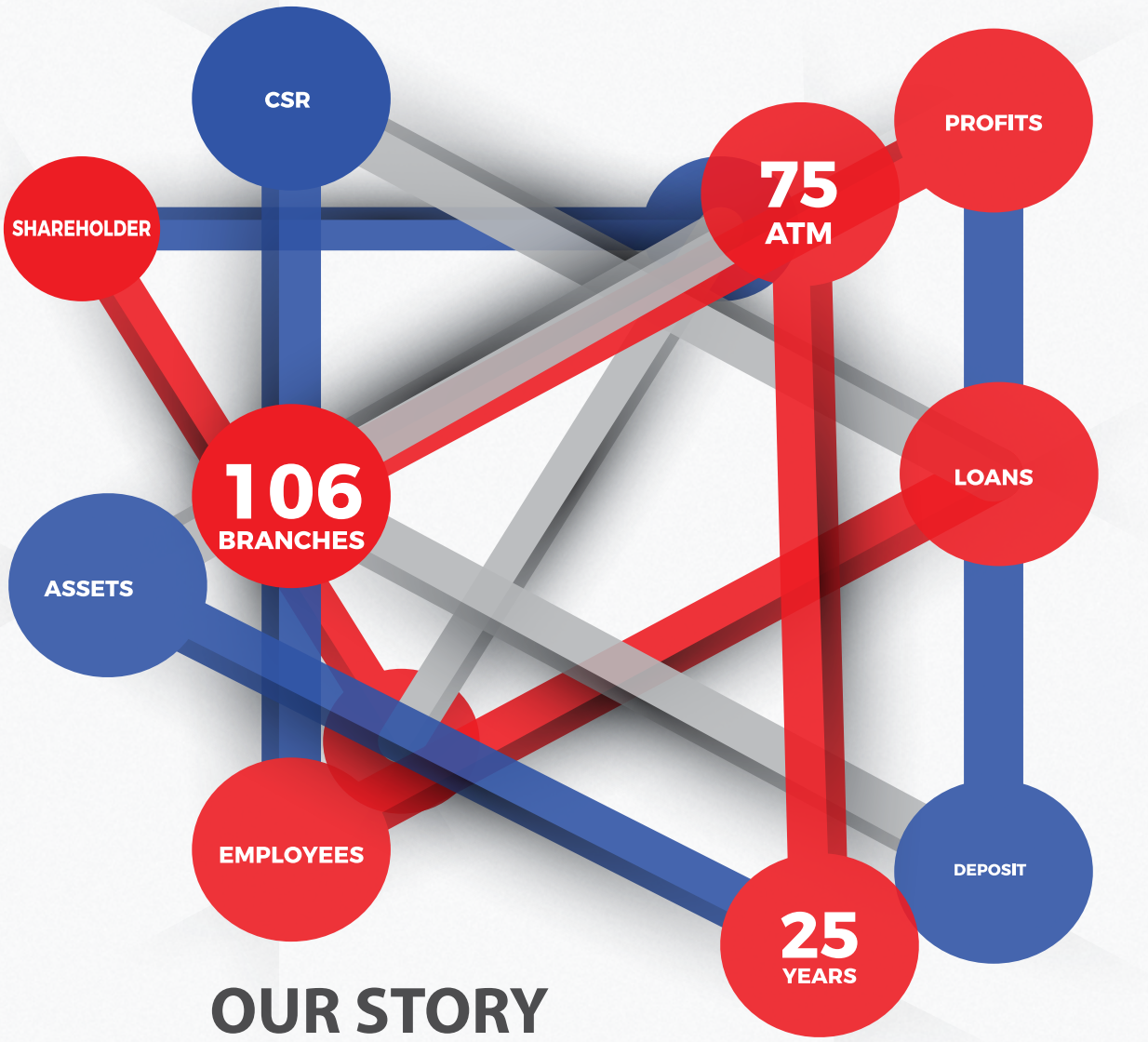


Annual Report 2016

NCC Bank
With You. Always.



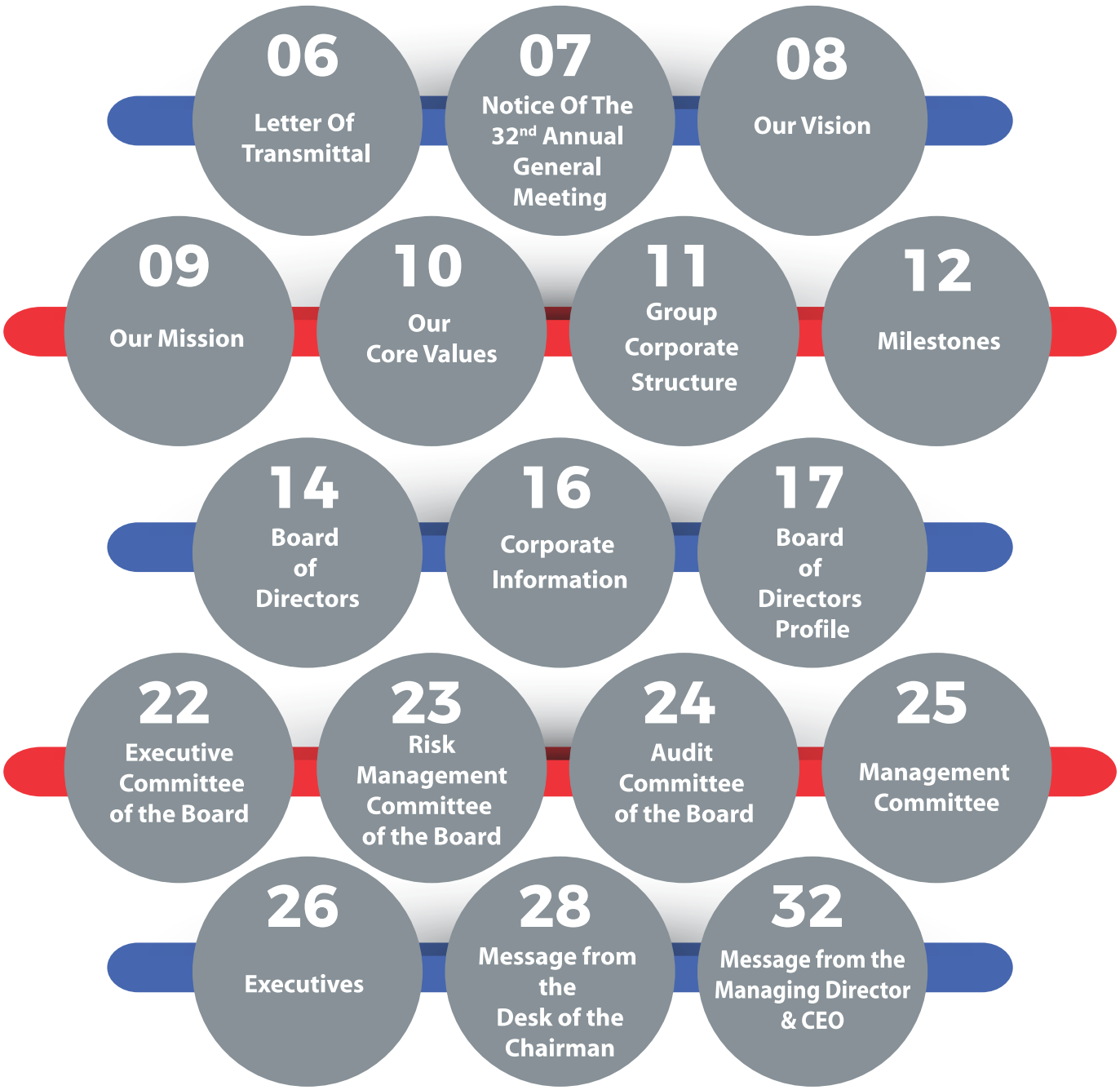
OUR STORY

In stepping into 25th years of dedicated service, we at NCC Bank always believe that profits are not the main motto of a Bank, which is absolutely temporary, but values are perpetual. Our aims are not just to make more profit, but to ensure a sustainable business growth for our valued shareholders, satisfying the evolving needs of our demanding customers and other stakeholders.

We always keep in our mind: Customers are always first and strictly adhere to the highest standards of integrity and trustworthiness.

NCC Bank
With You. Always.

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LETTER OF TRANSMITTAL

All Valued Shareholders
Bangladesh Bank,
Bangladesh Securities and Exchange Commission,
Registrar of Joint Stock Companies & Firms,
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited.

Dear Sir (s),

Annual report of National Credit and Commerce Bank Limited for the year ended December 31, 2016.

We are pleased to enclose a copy of Bank's Annual Report together with the Audited Financial Statements (consolidated and solo basis) as on December 31, 2016 of National Credit and Commerce Bank Limited and its subsidiaries for your kind information and record.

With best regards,

Yours sincerely,



A.K.M. Nazmul Haider
Company Secretary (c.c.)

NCC Bank
With You. Always.

NATIONAL CREDIT AND COMMERCE BANK LIMITED
Registered Office: NCC Bank Bhaban, 13/1 & 13/2, Toyenbee Circular Road, Motijheel C.A., Dhaka-1000, Bangladesh.
Phone: PABX: 880-2-9561902-4, 9563981-3., Email: boarddivision@nccbank.com.bd, Website: www.nccbank.com.bd

NOTICE OF THE 32nd ANNUAL GENERAL MEETING

Notice is hereby given to all Members (i.e. Shareholders) of National Credit and Commerce Bank Limited that the 32nd Annual General Meeting (AGM) of the Members of the Company will be held on **July 17, 2017 (Monday) at 11.00 a.m. in the 'Officers Club'** (Ground Floor), 26, Baily Road, Ramna, Dhaka-1000 to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2016 together with the Auditors' Report and Directors' Report thereon.
2. To approve dividend for the year ended December 31, 2016 as recommended by the Board of Directors.
3. To elect Directors as per Laws & Articles of Association of the Company.
4. To appoint External Auditors for the year 2017 and to fix their remuneration.
5. To transact any other business with the permission of the Chair.

By order of the Board of Directors
Sd/-
A.K.M. Nazmul Haider
Company Secretary (c.c.)

Dated: Dhaka
June 01, 2017

Notes:

A. The Board of Directors has recommended 16.00% (sixteen percent) Cash Dividend for the Shareholders of the Company for the year ended December 31, 2016, subject to approval in the Bank's 32nd Annual General Meeting.

B. The **'Record Date'** in lieu of Book Closure was on Monday, 22 May, 2017.

C. The Shareholders whose names appear in the Register of Members of the Company on the **'Record Date'** will be eligible to attend the AGM and will be entitled to the dividend.

D. The Proxy Form, duly signed by the Member(s) and must be affixed with requisite revenue stamp and must be submitted to the Share Department of the Company at its Registered Office at NCC Bank Bhaban (3rd Floor), 13/1 & 13/2, Toyenbee Circular Road, Motijheel, C.A. Dhaka-1000, not later than 48 hours before the time fixed for the Annual General Meeting.

E. Change of address (if any) should be notified by the Members (i.e. Shareholders) to their related Depository Participant(s).

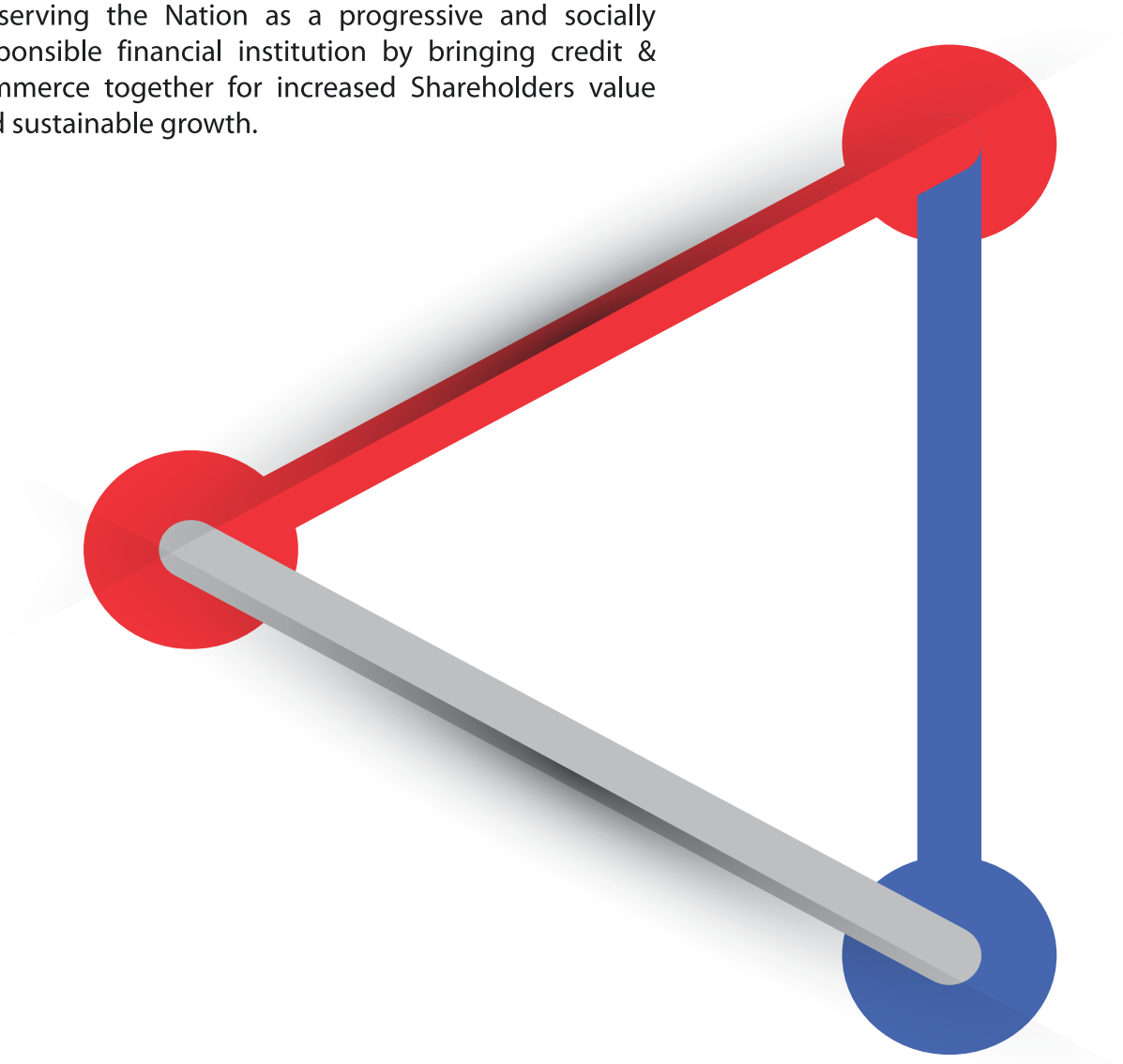
F. Election of Directors will be dealt with in accordance with Articles of Association of the Company and relevant Laws/Rules/Circulars/Notifications of Regulatory Bodies in force. The detailed schedule for election of Directors from Group-C i.e. General Public Shareholders will be available in the Bank's Notice Board at its Registered Office at NCC Bank Bhaban, 13/1 & 13/2, Toyenbee Circular Road, Motijheel, C.A. Dhaka-1000.

G. The Annual Report-2016 and Proxy Form will be available at the Bank's Share Department at Registered Office and in the Bank's website at **www.nccbank.com.bd**

H. **No gift or benefit in cash or kind shall be paid/offered to the Shareholders in the 32nd AGM as per directives of BSEC, lastly being issued vide ref. No.SEC/CMRRCD/2009-193/154 dated 24 October, 2013.**

OUR VISION

To become one of the most adorable commercial Banks in serving the Nation as a progressive and socially responsible financial institution by bringing credit & commerce together for increased Shareholders value and sustainable growth.



OUR MISSION

Delivering excellent financial services to our communities based on strong customer relationship.

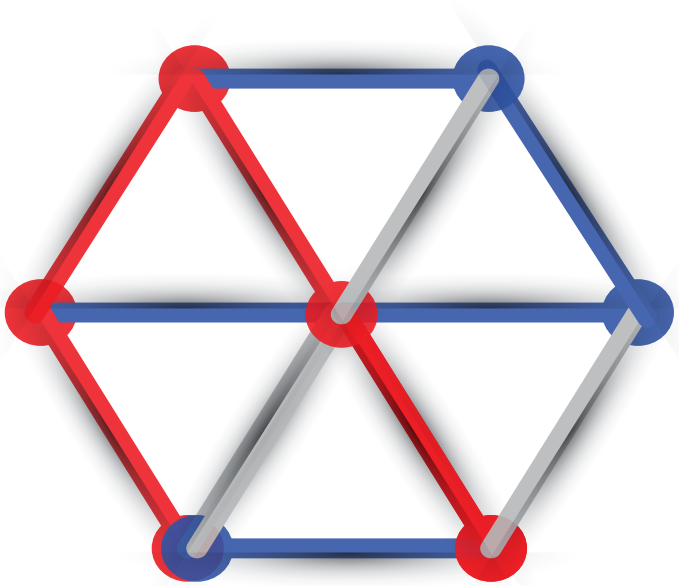
Providing long lasting solutions that combining our cutting edge technology, experience and financial strength to our clients and stakeholders.

Creating a cohesive and friendly environment where customers and our people can excel.

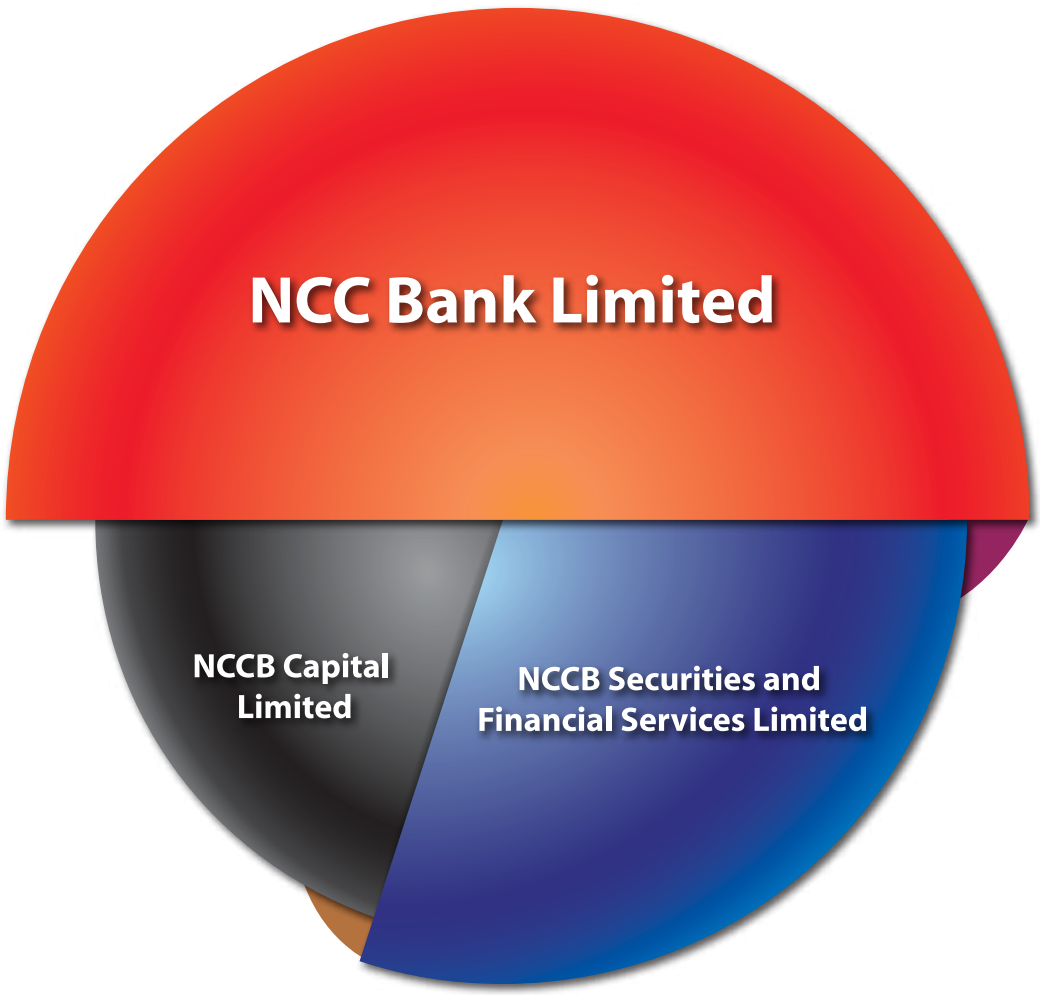


OUR CORE VALUES

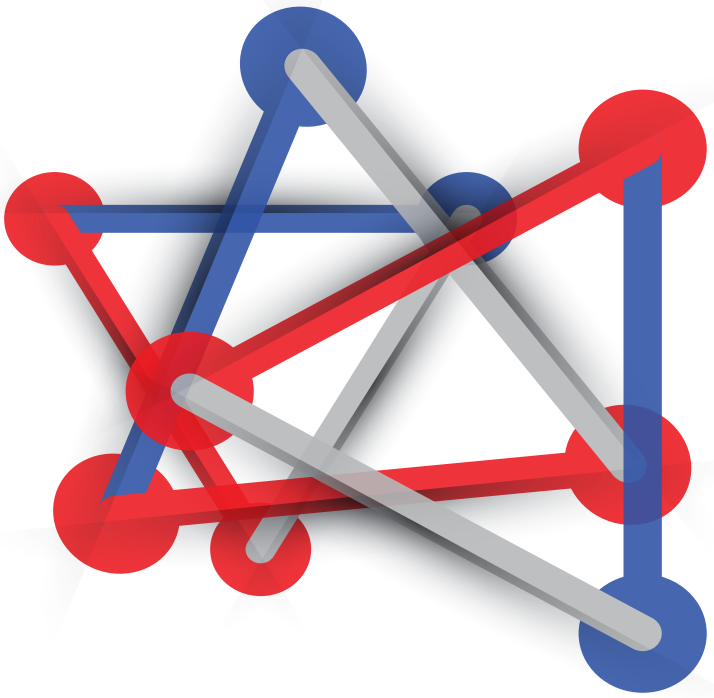
- ACCOUNTABILITY
- COMMITMENT
- CONFIDENTIALITY
- INTEGRITY
- PROFESSIONALISM
- RESPECT FOR INDIVIDUAL
- RESPECT FOR NATURE



GROUP
CORPORATE STRUCTURE



MILESTONES



November 18, 1985

Incorporation of the company as Investment Company

Certificate of Commencement of Business as Investment Company

March 10, 1988

Membership of Dhaka Stock Exchange Limited with National Credit Limited

May 15, 1993

Converted and newly incorporated from Investment Company to Banking Company

May 17, 1993

License issued by Bangladesh Bank

December 09, 1997

Membership of Dhaka Stock Exchange Limited

November 30, 1999

INITIAL PUBLIC OFFERING: Prospectus date

December 12, 1999

Subscriptions opens

December 26, 1999

Subscriptions closes

May 16, 2000

INITIAL PUBLIC OFFERING: Listed with Chittagong Stock Exchange

May 28, 2000

Listed with Dhaka Stock Exchange

December 21, 2005

FIRST TIME ISSUANCE OF RIGHTS SHARE: Prospectus date

January 04, 2006

FIRST TIME ISSUANCE OF RIGHTS SHARE: Subscription Closes

October 11, 2007

Membership of Chittagong Stock Exchange Limited

April 01, 2010

Incorporation of NCCB Capital Limited

April 04, 2010

Incorporation of NCCB Securities and Financial Services Limited

April 11, 2010

SECOND TIME ISSUANCE OF RIGHTS SHARE:

May 06, 2010

SECOND TIME ISSUANCE OF RIGHTS SHARE: Subscription Closes

June 14, 2011

Incorporation of NCCB Exchange (UK) Limited

May 19, 2013

NCCB Mobile Banking "SURE CASH" Launching

December 29, 2013

Hundred Branch Coverage of NCC Bank Limited

December 2014

Shifting of Corporate Head Office of the Bank at its own 22 storied Building NCC Bank Bhaban at Motijheel.
Unveiling our New Face: Change of logo of the Bank.

2015

Certificate of appreciation from Bangladesh Bank for achieving the distribution target of Agricultural a Rural Credit for the year 2013-2014

BOARD OF DIRECTORS



MR. ABDUS SALAM
CHAIRMAN



MR. A.S.M. MAIN UDDIN MONEM
VICE CHAIRMAN



MR. MD. ABDUL AWAL
DIRECTOR



MR. AMJADUL FERDOUS CHOWDHURY
DIRECTOR



MR. S.M. ABU MOHSIN
DIRECTOR



MR. YAKUB ALI
DIRECTOR



ALHAJ MD. NURUN NEWAZ
DIRECTOR



MRS. SOHELA HOSSAIN
DIRECTOR



MR. MD. ABUL BASHAR
DIRECTOR



MR. MD. HARUNUR RASHID
DIRECTOR



MR. KHAIRUL ALAM CHAKLADER
DIRECTOR



MR. MD. MOINUDDIN
DIRECTOR



MR. MD. AMIRUL ISLAM, FCS, FCA
INDEPENDENT DIRECTOR



MR. K.A.M. HAROON
INDEPENDENT DIRECTOR



MR. MOSLEH UDDIN AHMED
MANAGING DIRECTOR & CEO (c.c.)

CORPORATE INFORMATION

CHAIRMAN :	**MR. ABDUS SALAM**
VICE CHAIRMAN :	**MR. A.S.M. MAIN UDDIN MONEM**
CHAIRMAN : EXECUTIVE COMMITTEE OF THE BOARD	**MR. S.M. ABU MOHSIN**
CHAIRMAN : RISK MANAGEMENT COMMITTEE OF THE BOARD	**ALHAJ MD. NURUN NEWAZ**
CHAIRMAN : AUDIT COMMITTEE OF THE BOARD	**MR. MD. AMIRUL ISLAM, FCS, FCA**
MANAGING DIRECTOR & CEO (c.c.) :	**MR. MOSLEH UDDIN AHMED**
COMPANY SECRETARY (c.c.) :	**MR. A.K.M. NAZMUL HAIDER**
CHIEF FINANCIAL OFFICER :	**MR. MOHAMMED MIZANUR RAHMAN, FCA**
STATUTORY AUDITORS :	**ACNABIN** **Chartered Accountants** BDBL Bhaban (Level-13 &14),12, Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh.
LEGAL ADVISOR :	**Barrister Khan Mohammad Shameem Aziz** **Shameem Aziz & Associates** Suit No. 502(5th Floor), Paramount Heights, 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000 , Bangladesh.
CREDIT RATING AGENCY :	**Alpha Credit Rating Limited** Sadharan Bima Bhaban-2(8th Floor) 139, Motijheel C.A. Dhaka-1000, Bangladesh.
CORPORATE GOVERNANCE CERTIFICATE ISSUER:	**MABS & J PARTNERS** **Chartered Accountants** SMC Tower (7th Floor) 33, Banani C.A. Road#17, Dhaka-1213, Bangladesh.
INVESTORS' ENQUIRY:	**SHARE DEPARTMENT** NCC Bank Bhaban (3rd Floor), 13/1 & 13/2, Toyenbee Circular Road, Motijheel, C.A. Dhaka-1000 Phone: 02-9561085
REGISTERED OFFICE :	**NCC BANK BHABAN** 13/1 - 13/2, Toyenbee Circular Road, Motijheel C/A, Dhaka - 1000, Bangladesh, PABX: 880-2-9561902-4, 9566283, 9563981-3, Fax: 880-2-9566290 e-mail: info@nccbank.com.bd Web: www.nccbank.com.bd

BOARD OF DIRECTORS PROFILE



ABDUS SALAM
CHAIRMAN

Mr. Abdus Salam, the Chairman of Board of Directors is an Electrical Engineer expert in electrical installations. With the help of his expertise, a number of Power Stations were installed in the country. By dint of his vast knowledge and technical expertise, Mr. Salam has become a leading entrepreneur of the country. He has expanded his business entities in different industries namely, The Bengal Electric Ltd., Multiple Equipment & Engineering Ltd., Gangatia Fisheries Ltd., Bengal Shipyard Ltd. etc. He has praiseworthy pioneer role in social services and benevolent works to the society. Being a philanthropist, he has founded educational institute to ensure the proper education of the students in the society. His helping attitude toward the poor meritorious students is also remarkable.



A.S.M. MAIN UDDIN MONEM
VICE CHAIRMAN

Mr. A.S.M. Main Uddin Monem, the Vice Chairman of the Bank was born in a respected Muslim family in Dhaka. He is also the Chairman of NCCB Capital Limited, a subsidiary of the Bank. After completing MBA degree from University of Harvard, USA with distinction, he engaged himself in family business house Abdul Monem Ltd. But Creative urge did not allow him to confine only in the family business and he has ventured into the several business industries. Within a short spam of time, he proved himself as a successful entrepreneur of the country. A leading business entrepreneur of the country, Mr. Monem earned the dignified CIP recognition from the Government of the People's Republic of Bangladesh for several years. He is also associated with many organizations namely, AM Foods Limited, Novus Pharmaceuticals Limited, AM Auto Bricks Limited, Millennium Cement Limited, MM Holdings Limited etc.

Mr. A.S.M. Main Uddin Monem is also well known for his contribution to the community and to the nation in the field of education. He is an Hon'ble Member of the Board of Trustees of 'Independent University of Bangladesh (IUB)'. Besides, he has huge contribution to overall development of infrastructural and educational environment of some other educational institutions. Many meritorious poor students are getting higher education regularly through his donation.



MD. ABDUL AWAL
DIRECTOR

Mr. Md. Abdul Awal is an entrepreneur and renowned businessman of the country. He was Chairman of the Bank during the crucial period of its journey as a full fledged private commercial Bank. By dint of his perseverance and talent, he has established himself as a visionary industrialist and business personality of the country. Among his establishments, textile and ship breaking industry are the prime sectors. He is the founder of esteemed Prime Group of Industries where in M/s. Prime Textile Spinning Mills Ltd. is one of the prestigious and modern spinning mills of the country. Mr. Awal was the president of Bangladesh Textile Mills Association.He has established many organizations under the umbrella of Prime Group of Industries namely Prime Steel Re-Rolling Mills Ltd., Doleshwar Iron & Engg. Works Ltd., Prime Blended Yearn Mills Ltd., Prime Composite Mills Ltd., Prime Steel Mills Ltd., Prime Energy Ltd. etc. Mr. Md. Abdul Awal is also actively associated with many other educational institutes and he is the Hon'ble founder Members of the Board of Governors of North South University, Dhaka and shouldered the responsibilities as its Chairman. Mr. Md. Abdul Awal's empathy for the poor and other needy groups of the country is remarkable. Several business entities of his Prime Group of Industries are working to the cause of mitigation of unemployment and positive contribution in GDP of the country.



AMJADUL FERDOUS CHOWDHURY
DIRECTOR

Mr. Amjadul Ferdous Chowdhury is a commerce graduate and one of the pioneers in establishing Garments Industry in Bangladesh. He earned the prestigious CIP recognition from the Government of the People's Republic of Bangladesh for the years 1998/1999. Among his establishments, readymade garments is the prime sector. His experience in textile and readymade garments will be a guideline for future generation. He is a senior leader of Bangladesh Garments Manufacturers and Exporters Association (BGMEA). Mr. Chowdhury is associated with the organizations, namely B.S.A. Garments Ind. (Pvt.) Limited, Vanguard Garments Ltd., Glare Fashion Limited, Royal Cement Limited, BSA Shipping Limited etc.



S.M. ABU MOHSIN
DIRECTOR

Mr. S.M. Abu Mohsin, the immediate past Chairman of the Bank is a renowned industrialist of Bangladesh and at present Chairman of the Executive Committee of the Board of the Bank. With clear understanding and technical expertise, he became a successful entrepreneur of the country. He was the Chairman of Continental Insurance Co. Limited, a reputed general insurance company of the country. During the course of time, he introduced different organizations namely Alliance Deep Sea Fishing Ltd., Brothers Oxygen Ltd., Food & Accommodation Limited etc.

Furthermore, a very compassionate person, Mr. Mohsin is associated with various socio-cultural activities and his contributions to the society are noteworthy.



YAKUB ALI
DIRECTOR

Mr. Yakub Ali, an Arts graduate was born in a respectable Muslim family of Chittagong. He was Chairman of the Board of Directors of the Bank. A leading businessman of the Country, Mr. Yakub Ali was the Vice President of Chittagong Chamber of Commerce and Industry (CCCI). He was also a Director of Chittagong Stock Exchange (CSE). He is associated with the organizations, namely Ali Fashion Limited, Anowara Paper Mills Limited, Diamond Cement Limited, HG Aviation Limited, Maam Textile Mills Limited, Bangladesh Fertilizer & Agro Chemicals Ltd., Regent Spinning Mills Ltd, Regent Energy and Power Ltd. etc.



ALHAJ MD. NURUN NEWAZ
DIRECTOR

Alhaj Md. Nurun Newaz, the Chairman of the Risk Management Committee of the Board is one of the most prominent businessmen of the country. By dint of his steadfastness and unrelented efforts, he has established himself as an icon in the business sector of the country with global reputation of being reliable in various business sectors. He has vast business experiences in the electrical and electronics segment and has been playing a leading role in this industry. He was also Chairman of Central Insurance Co. Limited, a reputed general insurance company of the country. He is a member of the Federation of Bangladesh Chamber of Commerce and Industry (FBCCI), the apex body of business community of Bangladesh. He is also Senior Vice President of the Chittagong Chamber of Commerce and Industry (CCCI).He engaged himself with the organizations namely, Electro Mart Limited, Royal International, Trade International Marketing Ltd., Newaz International Ltd., Electro Appliance Mfg. Industries Ltd. etc. Mr. Newaz is also associated with number of educational and social institutions and member of the Board of Trustees of Feni University.



SOHELA HOSSAIN
DIRECTOR

Mrs. Sohela Hossain is Masters in Arts. She is the spouse of Bank's Hon'ble Director and past Chairman, late Mir Zahir Hossain, who was also a renowned businessman and entrepreneur of the country. She has been handling the family business besides being a media personality known as a very good professional singer of Rabindra Sangeet. She is associated with the organizations namely, Mir Akhter Hossain Ltd., Mir Cement Ltd., Mir Real Estate Ltd., Mir Telecom Ltd., Mir Group of Companies Ltd. etc.

She made business tours in different countries of the world. She is engaged with different social organizations and her contributions to the country are noteworthy.



MD. ABUL BASHAR
DIRECTOR

Mr. Md. Abul Bashar, B.S. in MIS from USA is a young and energetic business entrepreneur of the country. He started pursuing his business endeavors with the Prime Group of Industries shouldering its responsibilities in key positions. With the help of his academic knowledge gathered from abroad, he is contributing a lot for the growth of his business entities. He is associated with the organizations namely Prime Textile Spinning Mills Ltd., Prime Composite Mills Ltd., Prime Information Technology Ltd., Unique Steel Industries Ltd., Prime Steel Re-rolling Mills Ltd., Doleshwar Iron & Engg. Works Ltd., Prime Ship Breakers Ltd. etc.



MD. HARUNUR RASHID
DIRECTOR

Mr. Md. Harunur Rashid is Masters in Arts. He is a former Vice Chairman of the Board of Directors of the Bank. He was a Member of the Parliament of the country. Mr. Md. Harunur Rashid is a renowned businessman and associated with the organizations namely, Nazma Construction Company, Faridganj Fisheries Ltd., Global Insurance Ltd., NCC Holdings Limited, Apurba Embroidery etc. He was one of the District Governors of the Lions Club. His contributions toward the society are quite remarkable.



KHAIRUL ALAM CHAKLADER
DIRECTOR

Mr. Khairul Alam Chaklader is a Commerce graduate. He was a former Vice Chairman of the Board of the Directors of the Bank. A leading business entrepreneur of the country, he actively associated with a number of companies in the medical, pharmaceutical and electronics sectors like-Desh Medical College & Hospital, Desh Diagnostic Center, Gulshan Point (Pvt.) Ltd., Gold Vision Industries Ltd., Maxwell Electronics etc.



MD. MOINUDDIN
DIRECTOR

Mr. Md. Moinuddin is a qualified pilot serving as a Captain in a reputed International Airline. He has obtained his certificate and pilot license from Oxford, United Kingdom. He is a successful young entrepreneur associated with a number of companies in the Real Estate Industry, Hotel Industry like Janata Real Estate, Central Paris, Salam Trading, Gausia Trading etc., based in UAE, Bangladesh, Europe and the Caribbean's.



MD. AMIRUL ISLAM, FCS, FCA
INDEPENDENT DIRECTOR

Mr. Md. Amirul Islam, FCS, FCA completed prestigious professional degrees of Chartered Secretary and Chartered Accountant. He is an Independent Director and Chairman of the Audit Committee of the Board of Directors of the Bank. He is also the Chairman of NCCB Securities & Financial Services Limited, a subsidiary of NCC Bank Ltd. A diversified and successful professional personality, Mr. Amirul Islam is also Independent Director of other organizations namely The Dacca Dyeing & Manufacturing Co. Ltd. and Hakkani Pulp & Paper Mills Ltd. He is also the Senior Partner of K.M Hasan & Co, Chartered Accountants.



K. A. M. HAROON
INDEPENDENT DIRECTOR

Mr. K.A.M. Haroon, an engineering graduate, is an Independent Director of the Bank. He widely contributed to the nation as a senior level executive of the Government of the People's Republic of Bangladesh. He retired as an Additional Secretary to the Government. As a successful professional personality, Mr. Haroon served as Chairman of RAJUK (Rajdhani Unnayan Kartripakkah) and other Government Departments. He is now working as a Deputy Team Leader for a Railway design project with CANARAIL, SMEC, DB & ACE LTD. Joint Venture Company.



MOSLEH UDDIN AHMED
MANAGING DIRECTOR & CEO (c.c.)

Mr. Mosleh Uddin Ahmed has joined NCC Bank Ltd. in December 2015 and currently serving as Managing Director & CEO (c.c.). Prior to joining in NCC Bank Ltd. Mr. Ahmed was the Additional Managing Director & Head of Business of Jamuna Bank Ltd. He has also served as Senior Executive Vice President & Area Head in The City Bank Ltd. Mr. Ahmed has more than two decades of banking experience in various fields of Banking in different capacities. In the process of career progression, he capitalized the opportunities to work many other banks and also held many responsible positions like Head of Leasing Unit in Prime Bank Limited, Head of Gulshan Branch & Head of Credit (Bangladesh Operations) in State Bank of India and Head of Corporate in the City Bank Ltd. etc.

He graduated in Electrical and Electronic Engineering and also obtained MBA from IBA, University of Dhaka. He participated in different training and workshops on Advanced Credit Risk Management, Trade Finance and Senior Leadership Development Program from HRX Consulting UK, AIT Bangkok, TACK Singapore, Central Bank of Malaysia, State Bank Staff College, Hyderabad, Mumbai and Delhi.

EXECUTIVE COMMITTEE OF THE BOARD



MR. S.M. ABU MOHSIN
CHAIRMAN



MR. ABDUS SALAM
MEMBER



MR. A.S.M. MAIN UDDIN MONEM
MEMBER



ALHAJ MD. NURUN NEWAZ
MEMBER



MR. AMJADUL FERDOUS CHOWDHURY
MEMBER



MR. YAKUB ALI
MEMBER



MRS. SOHELA HOSSAIN
MEMBER

RISK MANAGEMENT COMMITTEE OF THE BOARD



ALHAJ MD. NURUN NEWAZ
CHAIRMAN



MR. ABDUS SALAM
MEMBER



MR. A.S.M. MAIN UDDIN MONEM
MEMBER



MR. S.M. ABU MOHSIN
MEMBER



MR. MD. ABUL BASHAR
MEMBER

AUDIT COMMITTEE OF THE BOARD



MR. MD. AMIRUL ISLAM, FCS, FCA
CHAIRMAN



MR. MD. ABUL BASHAR
MEMBER



MR. MD. HARUNUR RASHID
MEMBER



MR. KHAIRUL ALAM CHAKLADER
MEMBER



MR. K.A.M. HAROON
MEMBER

MANAGEMENT COMMITTEE



*① **Mr. Golam Hafiz Ahmed**
Managing Director & CEO
Chairman

② **Mr. Mosleh Uddin Ahmed
Additional Managing Director
Member

③ **Mr. Abu Zafore Md. Saleh**
Deputy Managing Director
Member

④ **Mr. Md. Fazlur Rahman**
Deputy Managing Director
Member

⑤ **Mr. Md. Habibur Rahman**
Deputy Managing Director
Member

⑥ **Engr. Shamsur Rahman Chowdhury**
Sr. Executive Vice President
Member

⑦ **Mr. Muhammad H. Kafi**
Sr. Executive Vice President
Member

⑧ **Mr. Mohammed Mizanur Rahman, FCA**
Executive Vice President & CFO
Member

⑨ **Mr. Md. Abdullah-Al-Kafi Mazumder**
Sr. Vice President
Member

⑩ **Mr. A.R.M. Saokot Hossain**
Sr. Vice President
Secretary

* On expiry of contact on 07th May 2017, Mr. Golam Hafiz Ahmed (at SI-01) has handed over the charge of Managing Director & CEO
** to Additional Managing Director, Mr. Mosleh Uddin Ahmed, (at SI-02) w.e.f. 08th May 2017.

EXECUTIVES

MANAGING DIRECTOR & CEO (c.c.)
MR. MOSLEH UDDIN AHMED

DEPUTY MANAGING DIRECTOR
MR. MD. FAZLUR RAHMAN
MR. ABU ZAFORE MD. SALEH
MR. MD. HABIBUR RAHMAN

COMPANY SECRETARY (c.c.)
MR. A.K.M. NAZMUL HAIDER

SR. EXECUTIVE VICE PRESIDENT
MR. ISHTIAQUE AHMAD
MR. A.B.M. ABDULLAH
MR. ZALAL UDDIN CHOWDHURY
ENGR. SHAMSUR RAHMAN CHOWDHURY
MR. MD. MAHBUB ALAM
MR. MD. RABIUL ISLAM
MR. MUHAMMAD H. KAFI

EXECUTIVE VICE PRESIDENT
MR. SUBODH CHANDRA SAHA
MR. JOYNUL ABEDIN
MR. MOHAMMED MIZANUR RAHMAN, FCA
MR. MAHFUZUR RAHMAN KHAN
MR. MOHAMMAD ABDULLAH
MR. MD. ZAKIR ANAM

SR. VICE PRESIDENT
MR. MD. KHAIRUL ALAM
MS. MARIA GOMES
MR. GAZI HASSAN MAHMOOD
MR. SALEH UDDIN AHMED CHOWDHURY
MR. SHOAIB AHMED
MR. MD. ABDUL BARI SARKER
MR. A.R.M. SAOKOT HOSSAIN
MR. MD. ALI KADAR
MR. FAKRUL ISLAM
MR. MD. ABDUL HANNAN
MR. MD. GIAS UDDIN BHUIYAN
MR. MD. SALIM ULLAH
MR. MANZURUL KARIM
MR. MD. SHAFIQURE RHAMAN
MR. MD. ABDULLAH-AI-KAFI MAZUMDER
MR. MD. YUNUS KHAN
MR. KARTICK SEN
MR. MOHAMMAD HANIF
MR. SYED SADIQUR RAHMAN

SR. VICE PRESIDENT
MR. MOINUDDIN AHMED
MR. SAIF UDDIN AHMED
MR. SK. SIRAJUL KABIR
MR. JAGADISH CHANDRA DEBNATH
MR. TANVIR AHMED SIDDIQUE
MR. A. K. M. AHSAN KABIR
MR. MD. KHIRKIL NOWAZ
MR. M. ASHIK AREFIN HOSSAIN
MR. NASIR UDDIN AHMED

VICE PRESIDENT
MR. MOSTAFIZUR RAHMAN KHONDAKER
MR. ANJAN DATTA
MR. MD. MIZANUR RAHMAN KHAN
MR. MD. EKHLAS
MR. TAHER AHMED
MR. MD. SHUJAUDDIN
MR. MAHESH PROSAD SARKER
MR. MD. JAHANGIR HOSSAIN
MR. MD. MANSUR UDDIN
MR. MD. MAHBUBUR RAHMAN
MR. A.N.M. OBAIDUR RAHMAN
MR. SYED NURUL HUDA
MR. MD. SARWRUL KABIR CHOWDHURY
MR. MD. NUR NABI
MR. MASUD KARIM KHAN
MR. FARHAD AKHTER MD. SHAHRIYAR
MR. HARUNUR RASHID
MR. MUHAMMAD EMRANUL MUSABBIR
MR. MD. TAIAB ALI KHAN
MR. A.K.M. EKHLASUR RAHMAN
MR. MD. AMAN ULLAH
MR. MOHAMMAD KAMRUZZAMAN
MR. KISHALOY SEN
MR. MD. ABDUL WADUD
MR. MD. NURUL AMIN
MR. MD. MAHFUZUR RAHMAN
MR. AHSAN TARIQ
MR. KHALED MAHMUD
MR. MOHAMMAD SHARIFUL ISLAM
MR. MD. AFTAB UDDIN

SR. ASSTT. VICE PRESIDENT
MR. K.A.S.M. KHALID KAUSAR
MR. JUBAIR HASAN KHAN
MR. MD. JAMAL UDDIN

SR. ASSTT. VICE PRESIDENT

MR. SAADAT MUHAMMAD AYUB
MR. A.S.M. TARIQUL ALAM
MR. MD. HANIF
MR. MOHD. REZOWAN
MR. A.K.M. SHAHABUDDIN
MR. FAKRUL PASHA CHOWDHURY
MR. SHEIKH SHAHADAT HOSSAIN
MR. MD. FARHAD HOSSAIN
MR. A.K.M. HUMAYUN KABIR
MR. MD. LIAKOT ALI
MR. MD. MAHABUB HOSSAIN
MR. MD. FAZLE MAHMUD
MR. A.H.M.ABDUS SADIK KHAN
MR. MD. NAZRUL ISLAM
MR. SHAMSUL HOQUE SARKER
MR. MD. SHAKHAWAT HOSSAIN
MR. JAYNAL ABEDIN
MR. MD. SOLMAN
MRS. AYESHA SIDDIQUA
MR. MD. JASHIMUDDIN
MR. MD. MOSTAFIZUR RAHMAN
MRS. SANJEEDA ISMAIL CHAUDHURI
MR. MOHAMMED SHAH MOSTAFA KAMAL PASHA
MR. IFTEKHAR-UL-AZIM
MR. SULTAN SALAH UDDIN
MR. A.K.M. FAKHAR UDDIN
MR. MD. MEHEDI HASAN
MR. MD. FAIZUR RAHMAN
MR. MOHAMMED DIDARUL ALAM
MR. HAROON-UR-RASHID
MR. MD. ABDULLAH SHAHID
MR. MD. AMINUL EHSAN
MR. KHALED AFZAL RAHIM
MR. KHONDKER QAMRUZZAMAN
MR. MIR MOHAMMAD SHAHINUR RAHMAN
MR. MD. HARUN-OR-RASHID
MR. TAREQ MOHAMMED FEROZ
MR. MUFTI MUSTAFIZUR RAHMAN
MR. MUHAMMAD SHAHIDUL ISLAM
MR. MD. WALIUL ISLAM
MR. MOHAMMAD NURUL HOQUE
MR. MD. ANISUR RAHMAN MAJUMDER
MR. FEROZ AHAMED
MR. MAHTAB IBNA MANNAN SARKER
MR. MD. MAHFUZUL ISLAM
MR. MOHAMMAD ISMAIL HOSSAIN
MR. MD. RASHIDUL HASAN
MR. KAZI A. B. M. BASHIR AHMED

ASSTT. VICE PRESIDENT

MR. A.N.M. SADEQUE ELAHEE
MR. MEER MAHMOOD BILLAH
MR. MD. AKBAR HOSSAIN

ASSTT. VICE PRESIDENT

MR. MD. MAKSUMUL ISLAM
MR. MD. KHAYYAM IQBAL TAHIN
MR. ABUL MONSUR CHOWDHURY
MRS. BILKIS JAHAN CHOUDHURY
MR. MD. BORHAN UDDIN MAZUMDER
MR. MD. ANISUL KARIM MAZUMDER
MR. MD. MUJIBUR RAHMAN
MR. MD. SALIM
MR. MD. MOHIUDDIN
MR. S.M. REZAUL IMRAN
MR. BIMAN KANTI GHOSE
MR. MD. ZAMSHED HAIDER CHOWDHURY
MR. MD. NACHER
MR. MOHAMMED SALIM ULLAH
MR. MD. ANISUR RAHMAN
MR. A.S.M. MONJURUL MALEQUE
MR. A.Z.M. ZAFOR ULLAH
MR. A.T.M. HABIB
MR. MD. SHAKILUR RAHMAN
MR. MD. HANIF MAJUMDER
MR. MOHAMMAD EMDAD HOSSAIN
MR. MOHAMMED SUMON RAHMAN
MR. MOHAMMAD ANISUL HOQUE
MR. SYED PARVEZ MAHMUD
MR. MD. JAHANGIR ALAM
MR. MD. SAROWAR KAMAL CHOWDHURY
MR. ABU MOHAMMAD SANAULLAH
MR. MD. SHAFIQUZZAMAN BHUIYAN
MR. MD. ZAKIR HOSSAIN
MR. A.S.M. KAMAL HOSSAIN
MR. S. M. SALAM
MR. MD. WASIQUR RAHMAN
MR. QUAZI MOHAMMED MUSLEH UDDIN
MR. MOHAMMAD KAMRUL MORSHED
MR. MD. ABDUL AWAL HOWLADER
MR. MOHAMMED ALTAF

EXECUTIVES FOR SPECIAL ASSIGNMENT

SPECIAL VIGILANCE OFFICER
MR. MD. MIZANUR RAHMAN

CHIEF LAW OFFICER
MR. MD. ASHEKUR RAHMAN

HEAD OF SECURITY AND LOGISTICS
MAJOR MD. ABDUR RAZZAK (Retd.)

From the Desk of the Chairman

Bismillahir Rahmanir Rahim

Dear Shareholders,

Assalamu Alaikum,

I feel overwhelmingly honored and privileged to welcome you all to the 32nd Annual General Meeting of National Credit and Commerce Bank Limited being held on this beautiful morning.

Praise to the Almighty Allah, who has graced us with his blessings to get together here on this auspicious occasion. I would like to offer my heartfelt thanks and gratitude to you for making it possible to attend this annual meet of the company. Your presence in such a large number signifies your trust and confidence in us. We are sincerely thankful to you for such overwhelming support. I would also like to convey my thanks to the members of the Board of Director including the honorable Vice Chairman, Chief Executive and other senior members of the Management, dignitaries and valued representatives of regulatory bodies, members of electronic and print media for attending the Annual General Meeting.

Annual General Meeting, like any other limited company, is a regular part of affairs of the Bank. Such meeting acts as a platform for interaction for the Board, the shareholders, the Management and other stakeholders to exchange views and formulate major policy decisions through frank and open discussions. This also inspires us to work more vigorously to take the organization further to achieve our cherished goal.

Dear Colleagues,

You will be happy to learn that in the long 32 years of operation of this organization, last year we could earn highest ever operational profit. The Management Team of the Bank deserves our thanks for leading the Branches to reach the set target. During the year the sector as a whole and the Bank in particular faced some internal and external challenges, among them reduction of interest rate, decrease in commission based income as well as income against loans and advances are a few to mention here. On the other hand, some opportunities have also been created among which increase in credit volume, relatively stable political situation round the year, increase in export and import earnings are worth mentioning. Besides, of late the Government in line with its vision to lead the nation securing the status of a middle income country by the year 2021 has also undertaken some mega projects. If we could make good use of these opportunities, our position could have been better. However, it is a matter of satisfaction that with the active support and directives of the Board and vigorous efforts of the Management, the Bank could establish itself as a compliant Bank. At the moment our Capital Adequacy Ratio (CAR) is at satisfactory level. Bank's deposits and loans and advances have also recorded satisfactory result during the period under review.

We are trying to establish good governance and transparency as well as accountability in all spheres of our operation and remain compliant in following regulatory requirements. To this end we have so far brought a number of reforms and changes to streamline operational aspects such as centralized processing of foreign trade, credit centralization including loan documentation, recovery of stuck up loans etc. The operational result reflects the outcome of our above endeavors. We have also put emphasis on effective internal control and compliance as per revised ICC Guidelines issued by Bangladesh Bank. The division at Head Office vested with the responsibility is now in the stage of transformation to make it at par with the framework outlined by the Central Bank. As before Audit Committee of the Board under leadership of its learned and experienced Chairman, worked hard to eliminate all sorts of lapses and never hesitate to suggest punitive action against delinquent employees.

The issue of prevention of money laundering and combating terrorist financing has been getting importance on the part of regulatory authorities and law enforcing agencies for some years. We have taken all possible measures to safe guard our Bank from becoming prey of money launderers as per guidelines spelled out in the BFIU master circular of Bangladesh Bank in this regard.

Dear Shareholders,

We are aware that every organization, especially institutions like ours engaged in providing services to the people, has important responsibilities to discharge to the society. Only a few years back it was commonly held belief that financial institution are working with the sole objective of maximizing profit through expanding business. But the notion is now a matter of past. Banks are coming forward to assist the people in distress by way of extending both material and cash support as part of Corporate Social Responsibility. Bangladesh Bank has also formulated specific policy and set up a separate department to monitor and guide this noble act. NCC Bank has a very commendable record of extending support to the vulnerable segments of the society for long. It extends support in terms of education, health, infrastructure development as well as donates and distributes winter cloths, blankets or relief at times of natural calamities. One of its remarkable achievements in this regard is awarding stipend to the meritorious but financially impaired students of renowned educational institutions. We are actively considering to extend the scope of CSR activities further in near future by undertaking people centered plan.

We also take pride to be an environment conscious organization taking due care in considering investment proposals so as to help conserve our environment by keeping it pollution free as well as to ensure sustainable and balanced development. Our Sustainable Finance Unit is assigned with the tasks related to environment-friendly banking, CSR, sustainable banking and sustainable finance with a view to comply with the guidelines of Bangladesh Bank in this regard.

Before I conclude, I would like to take this opportunity to convey my sincere thanks to the Government of Peoples' Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, both the stock exchanges of the country, Registrar of Joint Stock Companies and Firms and other regulatory bodies for their continued and prudent guidance and support to our endeavors as before. My thanks are also due to the valued shareholders, clients, well-wishers, patrons including our friends from media for being with us and supporting us all the time.

Lastly, I should not forget to express my true love and gratitude to the members of the Management Team and dedicated employees of all grades for their hard work and magnificent contribution to the advancement and success of our beloved organization making us proud to be part of it.

With this, I declare the Annual General Meeting open.

Allah Hafez



Abdus Salam
Chairman

বাঁচুক প্রকৃতি বাঁচুক পৃথিবী

- বেশি বেশি গাছ লাগিয়ে পরিবেশের ভারসাম্য রক্ষায় সাহায্য করুন।
- সৌরশক্তির সদ্ব্যবহার করে ঘরকে দিন প্রাকৃতিক আলো।
- খাবার পানির অপচয় বন্ধে পানি ব্যবহারে সচেতন হোন।
- বিদ্যুতের অপচয় রোধে বাল্বের বদলে এনার্জি সেভিং বাতি ব্যবহার করুন।
- ক্ষুধামুক্ত পৃথিবীর জন্য খাদ্য অপচয় রোধ করুন।
- গাছ বাঁচাতে এবং পরিবেশ সুরক্ষায় কাগজের উভয় পার্শ্ব ব্যবহার করুন।
- সময় এবং প্রাকৃতিক সম্পদ রক্ষায় বিল পরিশোধসহ অন্যান্য কাজ অনলাইনে সারুন।
- প্লাস্টিক ব্যাগের পরিবর্তে পরিবেশবান্ধব ব্যাগ ব্যবহার করুন।
- পানি-খাবার গ্লাস, ব্যাটারি, সংবাদপত্র বার বার ব্যবহার করুন
- পানি, গ্যাস এবং বিদ্যুৎ খরচে সাশ্রয়ী হন।

আসুন, প্রাকৃতিক সম্পদ কম এবং প্রক্রিয়াজাতকরণের মাধ্যমে বার বার ব্যবহার করি। আপনার একটু সচেতনতাই বাঁচাতে পারে এই পৃথিবীকে।

এনসিসি ব্যাংক

আপনার সাথেই। সবসময়।

From the Desk of the Managing Director & CEO

Bismillahir Rahmanir Rahim

Honorable Chairman, Vice Chairman and honorable members of the Board of Directors of the Bank, valued Shareholders, representatives of Regulatory bodies, Senior executives of the Bank, my friends from both print and electronic media, Assalamu Alaikum.

It is my absolute privilege and immense pleasure to welcome you all to the 32nd Annual General Meeting of NCC Bank Limited. Please accept my sincere heartfelt thanks and gratitude for making it convenient to attend despite your various important pre-occupations. We are indeed grateful to Almighty Allah for gracing us with His blessings in enabling us arranging this event.

Banking sector in Bangladesh is now passing through a crucial transformation phase both in its attitude towards business operation as well as mode of rendering services to the customers. Also laws governing this sector are now becoming stringent than ever. As such, it has become important to maintain a fine balance between these two so as to implement the policy guidelines of the regulators in one hand and extending service per excellence on the other. The sector is under continuous pressure and threat of being manipulated by the money launderers both in and outside of the land and consequently being compelled to adopt befitting measures to fight back. Especially, cybercrime and lately WannaCry ransomware have indeed posed great threat for the sector. We have been monitoring these happenings more than ever and making huge investment for protecting depositors' money as well as ensuring uninterrupted functions of our Payment System. There are other internal challenges also. First and foremost of which is Non Performing Loan having negative impact on profit to a large extent compelling us maintaining provision.

Banking sector plays a pivotal role in economic development of the country. Due to active participation of the Banks in financial intermediation the pace of trade and businesses accelerated during past few decades. The Textile/Garments sector has now become a sector of 32/33 billion dollar industry. The remittance sent by the expats created huge domestic demand for goods and services supporting potentials of employment both in and abroad. The homebound remittance is helping alleviation of poverty a lot while providing macro- economic stability.

During the year slight slow-down in capital investment was seen mainly due to want of infrastructure support like gas and electricity. Another significant development was cutting down of interest rate both against deposit and advance. The business community of the country has been advocating for fixing rate against credit facility at a single digit to boost up economy. With the support of the government and Bangladesh Bank in particular rate of interest could be reduced to single digit figure in many sectors.

A shift of priority has been occurred in the sectors of the economy for last few years and it has now become evident. We have taken special care for SME Agri and Green Banking. At this moment Agriculture and SME showing promising prospect. While agriculture sector is contributing a portion of export Income remaining as one of the major sources of employment for the pre-dominantly rural population, the SME sector has also emerged as a new means of lively hood through generation of employment in non-farming sectors. SMEs playing crucial roles in supply and distribution chain of large corporate groups. Taking this into cognizance, Bangladesh Bank has formulated SME policy for the Banks and FIs and has also taken up different schemes to boost up this sector.

Dear Colleagues,

We continue to keep trust on developing resources as success in Banking operations depends largely on the quality of manpower. It is, therefore, our continuous thrive in building and sustaining a work culture where individuals can work with self-dignity, respect and ownership. We have made various arrangements to develop our human capital through trainings/workshops on contemporary Banking and giving importance on improving soft skill both at home & abroad. Banking related courses have been arranged throughout the year.

While discharging its responsibility as an economically viable manner, NCC Bank has also been doing a lot of CSR activities in a socially responsible entity. A significant portion of profit of the Banks is now channeled towards welfare of destitute, backward segment of the population covering education, health service and other cases of dire needs. NCC Bank always stands by the government in helping out the victims of any sort of natural calamities.

We have planned to expand the scope of customers' service further with a view to turning this Bank to a most adorable bank in its true sense. NCC Bank wants to help the business people and entrepreneurs as well as hopes to earn good profit. We are quite aware about our responsibility to allow good dividend to the shareholders of the company and at the same time we are also serious for enhancing welfare of the employees who are working hard to enable us in discharging that noble duty.

Taking this opportunity I would like to record my sincere gratitude to the Government of the Peoples' Republic of Bangladesh, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka and Chittagong Stock Exchanges, Registrar of Joint Stock Companies and Firms and other regulatory bodies for their continued guidance and support throughout the year. The valued shareholders, clients, well-wishers, patrons also deserve our thanks for their cooperation both at good and hard times. The Board of Directors has always guided us in our efforts to run the affairs of the organization. I would like to place my sincere thanks and gratitude to them for their whole hearted support. My thanks are also due to the Senior Management Team and the employees for their sincere and hard works to make our journey for excellence a success.

Before I end I thank you all once again for being with us and at same time I wish you all a very prosperous and happy life in the days to come.

Allah Hafez



Mosleh Uddin Ahmed
Managing Director & CEO (c.c.)

Directors' Report

Dear Shareholders,

Assalamualaikum,

On behalf of the Board of Directors of the NCC Bank Ltd, it is my great pleasure and honor to welcome you all to 32nd Annual General Meeting of the Company. I am happy to be able to place before you the Annual Report-2016 along with related disclosures such as Directors' Report and Auditors' Report together with Audited Financial Statements of the company for the year ended on 31st December, 2016 for consideration, approval and adoption by our valued shareholders, However, like previous years, it is pertinent to gloss over the World and Domestic economic scenario of the year under review so as to understand the backdrop of our business activities.

World Economy:

Global output growth estimated at about 3 percent for the third quarter of 2016 remained unchanged relative to the first two quarters of the year. This stable average growth rate, however, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced countries, due mainly to a reduced drag from inventories and some recovery in manufacturing output. In contrast, it was matched by an unexpected slowdown in some emerging market economies, mostly reflecting idiosyncratic factors. Forward-looking indicators such as purchasing managers' indices remained strong in the fourth quarter in most areas.

Among advanced countries, activity rebounded strongly in the United States after a weak first half of 2016, and the economy is approaching full employment. Output remained below potential in a number of other advanced economies, notably in the euro area. Preliminary third-quarter growth figures were somewhat stronger than previously forecast in some countries like Spain and the United Kingdom, where domestic demand held up better than expected in the aftermath of the Brexit vote. Historical growth revisions indicate that Japan's growth rate in 2016 and in preceding years was stronger than previously estimated.

The picture for emerging markets and developing economies (EMDEs) remained much more diverse. The growth rate in China was slightly stronger than expected, supported by continued policy stimulus. But activity was weaker than expected in some Latin American countries where recession is in place such as Argentina and Brazil, as well as in Turkey, which witnessed a sharp decline in tourism revenues. Activity in Russia was slightly better than expected, in part reflecting firmer oil prices.

Oil prices have increased in recent times, reflecting an agreement among major oil producing nations to curtail supply. With strong infrastructure and real estate investment in China as well as expectations of fiscal easing in the United States, prices for base metals have also strengthened. Headline inflation rates have recovered in advanced economies with the bottoming out of commodity prices, but core inflation rates remained broadly unchanged and generally below inflation targets. Inflation ticked up in China as capacity cuts and higher commodity prices have pushed producer price inflation to positive territory after more than four years of deflation. In other EMDEs, inflation developments have been heterogeneous, reflecting differing exchange rate movements and idiosyncratic factors.

For the countries hardest hit by the decline in commodity prices, the recent market firming provides some relief, but the adjustment to reestablish macroeconomic stability is urgent. This implies allowing the exchange rate to adjust in countries not relying on an exchange rate peg, tightening monetary policy where needed to tackle increases in inflation, and ensuring that needed fiscal consolidation is as growth-friendly as possible.

Bangladesh Economy:

Bangladesh economy remained strong and resilient despite external and internal challenges. Bangladesh is among the top 12 developing countries with a population of over 160 million, who achieved 6 plus percent growth in 2016. By any standards, Bangladesh economy has done well. Bangladesh needs to focus on a growth agenda centered on sustainable and inclusive growth.

The economy also benefited from a pick-up in exports, as the all-important garment industry grew at a double-digit pace. Adding to the good news. Tax collection improved significantly last year while spending declined, leading to reduction in the fiscal deficit.

The Country witnessed a politically stable condition during the year that gave a sense of comfort and ease among the people at large and business community and service organizations like Banks in particular. A favorable condition prevailed for going for large scale investment both in public and private sectors. The government has initiated a number of ambitious projects aimed at advancing the condition of the large segment of the population.

Overall inflation declined from 6.27% in March 2015 to 5.65% in March 2016. Food inflation declined from 6.4% to 3.9%, thanks to a good rice harvest, declining international food prices and a stable exchange rate. However non-food inflation rose from 6.1% to 8.4% as a result of suppressed domestic demand, increase in wages, electricity and gas prices. The balance of payment (BoP) remains comfortable with a large surplus in both current and financial accounts, due to recovery in export, increased Foreign Direct Investment and aid disbursements. Monetary targets are underachieved due to limited growth in domestic credit.

Income growth prospects in Bangladesh's main export markets are uneven, but sustained low oil prices bode well for external and internal balance. With modest fiscal expansion and some easing of the infrastructure bottlenecks, GDP growth is projected to rise gradually towards 7 plus percent.

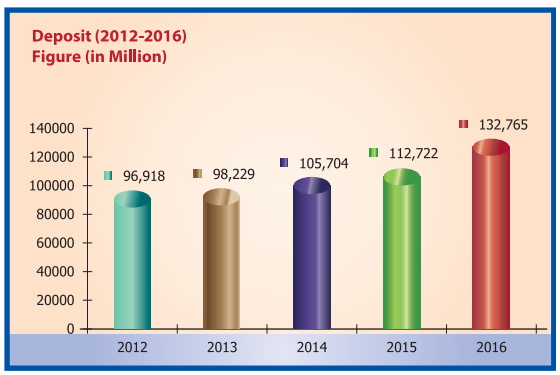
In the backdrop of recent development in the world economy and politics, the policy makers are optimistic about taking advantage of the situation for the benefit of the country. The reduction of rate of interest on deposit though disappointed the section of people depending on their deposited money but enabled the Banks to go for cutting down the rate of

interest against credit facilities satisfying long awaited expectation of the investors. This will hopefully fuel rapid growth in credit portfolios of the Banking sector. Bangladesh Bank has also for some years following investment-friendly fiscal policy to boost up economic activities. With its existing status of lower middle income group nation, Bangladesh is looking forward to become middle income group country by 2021 and government is taking all necessary steps to that end. The Banking sector also aspires to be partner in this ambitious cause and come forward to supplement the progammes initiated by the government.

Performance of the Bank:
The Bank has exhibited a very satisfactory performance by achieving highest ever operational profit since its inception. The Bank could also performed well in terms extending Loans and Advance mobilizing Deposit. Total Profit, Loans and Advance and Deposit of the Bank as on 31.12.2016 of the Bank were 4,491.22 million, 1,26,003.48 million, and 1,32,764.87 million only respectively.

Capital and other Reserves:
Authorized and Paid Capital of the Bank as on 31st December, 2016 stood at Tk.10,000 million & Tk, 8,832.18 million respectively, while Statutory Reserve was Tk. 5,927.55 million only.

Deposit:
The Bank has been successful in mobilizing deposit almost up to its expectations during the year despite reduction of rate of interest on several occasions against its deposit products/schemes. This evidenced peoples trust in us. At the end of the year, the amount of deposit was Tk. 1,32,764.87 million only. The chart below shows the trend of deposit during last 5 years period.



Loans and Advances:
The Bank extends credit to the industrial, trade and service sectors run by promising and established entrepreneurs as well under its approved Credit Policy. The Policy embodies fundamental principles outlined by Bangladesh Bank from time to time to suit the internal and external economic and market situation. The Board of Directors of the Bank is very much business-minded and keen to contribute to the industrial development as well as trading including international business activities. You are aware that for some time extra emphasis has been given to encourage investment in Small and Medium Scale Enterprises (SME) considering its nature of early repayment and recovery. We have already established ourselves as a SME focused Bank. Agriculture is another thrust sector of the economy that the government has been trying to rejuvenate by adopting various incentive Schemes/Projects. We are much aware about this development and taking due care to avail the opportunity created. Our Agri/SME branches are working relentlessly to contribute in realizing the ambitions plan of the government to put back the agriculture to its previous status of golden age. This sector still accounts for a major part of employment and provides food grains for the huge population of more than 16 crore people.

At the end of the year, the outstanding against Loans and Advances of the Bank was Tk. 1,26,003.48 million only as against Tk.1,04,854.73 million of previous year, Credit Deposit Ratio (CDR) was 83.92 % in 2016 compared to 83.57% of 2015.

Credit Administration:
Establishment of Credit Administration Division (CAD) at Head office was in one hand a measure for implementation of directives of Bangladesh Bank and streamlining and strengthening pre and post sanction/disbursement supervision of the portfolio on the other. This was also a part of reform initiatives of the authority undertaken some years back to assert control over credit operations and ensure proper documentation against extended credit to safe guard interest of the Bank and in turn interest of the depositors as well. So far, the activities of the Division helped the bank to reduce the risk of loans becoming stuck up through its activities. Strong documentation ensures positive results in case legal actions needed to be taken against the default borrowers. This Division is run by competent officers having adequate knowledge on documentation as well as skills in performing on /off site supervision regularly. Identifying the slow moving cases is another important task of the Division that helps to find the loans becoming problematic beforehand and enables us taking necessary preventive measures through concerned Divisions or as decided by the competent authority.

Foreign Exchange Business:
The Bank largely depends on the income generated by its Foreign Exchange business to augment its earnings. Recognizing its importance steps have been taken with a view to centralize the foreign exchange business in phases. Initially import business was centralized by setting up a separate development at Head Office titled NITS manned by competent staff. This step was very successful in terms of ensuring discipline in handling L/C business and related functions. After running of the Dept for some years and inspired by its success under centralized environment, recently steps taken to expand its purview to include export business also. We hope that this would also meet with successful outcome within a very short time. Also, to add pace to the functions of the Unit a hub has also been set up at Gulshan Branch of the Bank.
During the year under review the Bank handled Export and Import Businesses to the tune of Tk. 16,720.86 million and Tk. 56,406.85 million only respectively. In 2016 the number of Authorized Dealers (AD) of the Bank was 22.

Bank's correspondents' network around the globe consists of 396 offices to facilitate crucial issues like trade settlement, remittance operation and OBU functions. The Bank maintains 36 Nostro Accounts in all major currencies of the World.
Financial Institutions Dept, a unit of the Bank's International Divisions has entered in to agreements with a good number of international Banks to facilitate correspondence banking world wide covering L/C advising and confirmation, issuance of payment instructions, fund transfer and other banking activities to serve the customers better with their satisfaction.

Remittance business:
Foreign remittance plays a significant role in our national economy. It is now one of the major sources of Bank's deposit, import financing, commission earning and exchange gain as well. At present about 8.6 million Bangladeshis are living and working in 155 countries of the world. In the year 2016, Bangladesh received inward remittance of USD 13.61 billion against USD 15.32 billion in 2015 which was 11.15% lower than previous year. The main causes of such reduction includes economic recession/war like situation in some middle eastern countries, continuous fall of oil prices and reduced development activities, fluctuation in the major currencies, increase of informal hundi channels.

NCC Bank has been putting much emphasis on inward foreign remittance in line with the Bangladesh Bank's policy. The main focus is to channel remittance from overseas markets and deliver the same to the beneficiaries' end at quickest possible time complying with regulatory requirements. As a leading partner of remittance business of the country, we offer innovative products focusing operational excellence, customer service and product diversification.

Last year we could channel total remittance of USD 220.01 million compared to USD 194.09 million in the corresponding period of 2015. This figure clearly speaks out that our inflow of remittance has increased by 13.36% in 2016. Starting with 20% negative growth of remittance in 2016, we have exerted our best efforts to increase the business by utilizing our resources. In 2016 we could successfully launch 3 new businesses/MTO's namely Merchantrade Asia, Malaysia, NEC Money, UK and Al Mirqab Exchange, Qatar and also added 2 sub-agent banks namely UCBL and EBL for MoneyGram. Besides, we have explored markets in KSA, Oman and Kuwait to procure new business and gearing up existing ones. We have arranged a number of customer gatherings and AML compliance training for our branches as well as partner NGO TMSS in different parts of the country. Highest ever transactions took place at 800 outlets of TMSS, our partner NGO during the year. In the year under review around 1005 NRT & WEWDPS accounts were opened through our team deputed in the UAE and Oman. With our all-out efforts NCCBL's position in remittance business improved from 19th to 15th among the banks in Bangladesh.

The year 2017 will be very challenging for remittance business due to country's negative growth in the sector. Therefore our main focus will be on improving productivity & retain the existing growth by adding more MTO's and distribution partners. We are going to add Karmashangsthan Bank as our distributing partner to get the benefit of network of their 250 branches. Negotiations are underway with a number of MTO's from different parts of the world, which will hopefully take shape soon. We will adopt some technology based remittance services such as API, RTGS, SPTP server, Internet banking, mobile baking, agent banking, and online remittance through dedicated support of our IT Division. We have plan to arrange extensive marketing and promotional campaign both at home and abroad to increase the flow of remittance by creating awareness and ensuring compliance. We will also explore new hub of remittance business like Canada, Australia, Malaysia, Singapore, South Africa, South Korea and Japan for diversification.

The Remittance & NRB Services Division is contributing to the Bank's profitability through its exchange gains, fees/commission and low cost fund. It is also upholding the Bank's image and reputation in the overseas market. We believe that we will be able to grab more market share in the coming days and attain sustainable growth of remittance business.

Card Business:
The Card Division of the Bank was established in 2005 with a view to offer world class products and services to the customers by adopting state of the art technology and product versatility. Over the course of years, our products have become symbol of prestige, elegance, luxury and convenience as well.

We are one of the earliest banks in Bangladesh to adopt EMV Chip technology and 3-Dimensional Security System (2 Factor Authentication) for online transaction to completely secure cards and ATM network. NCCB EMV Chip based credit cards opened up unrivalled privileges and financial freedom that allow customers to enjoy living life today as they dream and desire. The latest designed chip based credit card offers enhanced security features to protect information from being exposed.

Beside the highly scalable and versatile products, NCCB Cards also provide supplementary value added services to the cardholders. NCCB international cardholders can enjoy free VIP airport lounge facility along with his/her companion. Besides, all NCCB cardholders can also enjoy discount facility at hundreds of merchant outlets.

Products of NCC Bank:

Multi-Currency Cards:
Visa Platinum Credit Card
Visa Dual Gold Credit Card
Visa Virtual Card (Pre-paid card)

Local Currency Cards:
Visa Local Gold Credit Card
Visa Local Classic Credit Card
Visa Local Gold Debit Card
Proprietary Debit Card

Privilege Card:
A special privilege card named Priority Pass is offered to the high value Platinum cardholders. By using this card customers can gain access to the VIP lounges of almost 1200 airports around the world.

Special services:
Instant cash withdrawal facility though branch POS, Smart Pay installment facilities, auto debit payment instruction, balance transfer facilities, reward program, instant SMS alert service for all transaction & monthly statement, 24 x 7 support service, E-Statement Service and many more.

Call Centre Service:
To serve the customers round the clock, there is a dedicated Call Centre for cardholders. Customers can get the services by calling 16315 from any number in Bangladesh and 09612316315 from overseas.

Upcoming products:
In order to provide more options to the customers, NCCB Card is going to introduce MasterCard brand debit and credit cards soon.
Because of wide acceptability and fast transaction approval process, reputation of NCC Visa card is growing rapidly in the industry. The prospect of NCC Bank card is highly promising and it will continue to enhance our bank's image.

Treasury Operations:
NCC Bank has an integrated Treasury Division equipped with all sorts of modern logistic supports as well as skilled manpower with adequate knowledge in the respective fields of operations. In line with global best practices NCC Bank treasury boasts all modern facilities, i.e. Reuters, on-line dealing system, dedicated internet connectivity, voice recorder, financial TV channel, entry restricted door, etc.
As on 31.12.2016 our Bank's total investment was Tk 21,244.49 million recording 8.23% increase over the previous year's figure of Tk. 19,629.28 million. Due to this the Division earned a handsome amount of profit in the year 2016, which was about 25.63% of Bank's total net operating income. Throughout the year the Division was very much active in the Money, Foreign Exchange and Fixed Income Market. As a result it was possible to generate 15.81% more net operating income compared to the previous year.
The primary role of Treasury Division of any financial institution like Banks is focused on efficient and prudent fund management addressing all types of related risks. To comply with the country's monetary as well as fiscal policies all activities of the Division are driven to manage overall liquidity of the bank ensuring maximization of profit and fulfilling all regulatory obligations such as CRR, SLR, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) & Net Open Position (NOP), etc.
As an active member of BAFEDA, PDBL and BAMDA our Treasury actively participates in the inter-bank foreign exchange as well as money market activities for creating scope for short and long term investment. The Treasury works as a full-fledged Team with the efforts of highly dedicated manpower.

Treasury Division plays significant role in the profit generation of the Bank by managing fund both in local and foreign currency. The division endeavors to contribute in the profit maximization of the bank by mitigating all types of risk related to treasury operation. It has four specified desks related to managing fund and mitigating the liquidity risk. Such as:-

Foreign Exchange Desk:
Foreign Exchange desk plays important role in meeting up fund requirement of the customers, managing export proceeds and procuring remittance by offering most competitive rate to the Money Transfer Organizations (MTOs). Besides, Foreign Exchange desk deals with different foreign exchange derivatives mainly USD/BDT spot, Swaps, forward transactions in inter-bank markets and cross currency dealings (Need based transactions) with foreign counterparts abroad.

Money Market Desk:
The Money Market Desk regularly takes part in the inter-bank market and deals with all types of existing money market products, i.e. Call money, Term Placement and borrowing, Repo, Reverse Repo, Assured Liquidity Support, Special Repo, etc. with the Central Bank and inter-bank mostly on overnight basis. Besides, USD/BDT Swap is considered as a very popular money market derivative and the desk actively participates in Swap transactions in order to manage liquidity position.

Asset Liability Management Desk:
Treasury is the driving force of Asset Liability Management Committee (ALCO). The main functions of Asset–Liability Committee are focused on setting up and execution of all types of strategies related to effective Asset-Liability Management by monitoring various balance sheet gaps considering risk limits. It takes decisions regarding interest rate, structure of deposits, loan pricing, credit deposit ratio, contingency funding plan, Structural Liquidity Profile, Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Transfer Pricing mechanism for internal funding and investment.

Primary Dealer (PD) operation and Fixed Income Desk:
As a member of Primary Dealer of Government Securities the Bank has to participate in all types of Primary Auctions of Government approved securities. Treasury Division is responsible for participating in the Primary Auction on Bank's behalf. Bangladesh Bank initiated various steps to develop the secondary markets of Government Treasury Bills/Bonds. But the demand for Treasury Bonds in the capital market was almost null due to lack of promotional activities in this regard. In spite of difficulties NCCBL treasury has continuously been trying to develop the bond market through trading of Treasury Bills and Bonds in the secondary market.

Operational Results:
As on 31st December, 2016 Bank's Operational Profit reached its highest ever point recording 16.16 % increase over last year's figures and stood at Tk. 449.12 crore. Return on Assets (ROA) was 1.29 %.

Human Resources Management:
For sustainable growth of any organization, particularly service providing ones like Banks, optimum and competent human capital is the main driving force that moves all other factors to desired direction to fulfill expectations of the authority concerned. Since people are the focal point of the Bank, it is of utmost importance to satisfy them by meeting their needs through skilled & personalized services employing all available means. It is the quality of people working in any organization that marks the difference with

other such entities. Ultimately in absence of a competent, knowledgeable and pro-active work force, reaching organizational short and long term goals inevitably turns to day dream at best. We are much aware of this and all possible steps have been taken to enhance the knowledge base as well as both soft and hard skills of the employees working here by imparting both in house and outside trainings around the year on regular intervals covering all contemporary issues of Banking operations. Special emphasis on compliance of various newly enacted law/rules both by the government and regulatory bodies is given in this connection. Responding to the immediate requirements, workshops and seminars are also arranged at the Training Institute inviting resource persons from related Organizations /Dept of the Central Bank. Besides, the employees are encouraged to participate in examination/courses to enhance their professional capacity. All other motivational measures are also been to taken to this effect.

During the year Training Institute has arranged a number of training courses as per training schedule approved by the Board of Directors where 1805 number of executives/officers took part on related issues. Beside, the Bank has nominated officers/executives to various training programmed, seminars, workshops organized by the institutes like Bangladesh Bank, BIBM, BBTA, and others , Also officers have been nominated to participate in important courses abroad during the period. Total no. of executives and officers of the Bank as on 31.12.2016 was 1805 as against 1945 of 31.12.2015.

Network of Branches:

With the passage of time people in general are now availing Banking services in an increasing trend. The requirements of the customers are now showing a varied range that compelled the banks to design newer products and improve the existing ones to suit the demand of the market. In order to reach the large section of the citizens, network of the Banks is also expanding by opening new branches in areas where no Bank existed before. Extending services to the expats to send their earnings to the doorsteps of the beneficiaries is also one of the reasons of expansion of network. The rapid development and changes in outlook of the Central Bank as well as technological facilities introduced in payment systems made the services more people oriented in recent times.

Being a part of the total scenario, gladly we have availed this opportunity and took steps to expand our Branch network further. As part of this 2 (two) new branches were opened in 2016 whereby number of branches stood at 106. Opening of more 6 (six) Branches in 2017 is under active consideration and renovation/relocation of some of our exiting branches is also underway to give the customer a friendly feel to Bank with us.

Dividend:

We always place the issue of paying satisfactory amount of dividend to the shareholders at the fore who have put trust in us with their investments. The examples of previous years bear evidence to this. Remaining true to the trend, the prudent Board of Directors of the Bank has been pleased to recommend 16 % cash dividend to the shareholders in the Annual General Meeting subject to approval of the shareholders.

Managing Core Risk in Banks:

As identified by Bangladesh Bank, the Banking sectors' operation has to be run in such a way so that the operational risks involved in terms of Credit, Information Technology, Internal Control, Foreign Exchange, etc are managed optimally. We in NCC Bank have taken steps to mitigate the related risks factors by ensuring strict compliance of regulatory requirements. An elaborate project has been undertaken to prepare manuals of different functions of the Bank to identify and fix responsibility of the people of all stages to bring about transparency and ensure accountability at all operational levels.

Internal Control and Compliance:

In order to ensure effective and adequate control over the activities of the Bank, arranging regular Audit and Inspection is of great importance. Besides, on the spot and offsite supervision are also necessary for this. Internal Control and Compliance Division of the Bank is assigned with this very important responsibility with its three units namely, Audit, Monitoring and Compliance. The Division conducts regular as well surprise inspection in the Branches and Division/Departments of Head Office and places its findings to the competent authority for necessary action and decision. Special Vigilance Officer (SVO) posted at MD's Secretariat on the other hand conducts enquiry on immediate urgent issues as and when instructed by the MD and CEO and reports accordingly. Following industry best practices, a Cell titled `Pre-Audit Post-Audit Cell' has been opened at the Division in order to reduce velocity of incremental cost and to add contribution to Bank's profitability.

Audit Committee of the Board has been doing excellent job under leadership of its experienced and learned chairman to bring down lapses/irregularities to possible lowest level.

Information Technology:

The Bank runs it's day to day by operation in an automated platform to render prompt and accurate services to the customers. Under its competent Head, our IT Division is showing commendable results in this regard. In order to ensure uninterrupted and sophisticated service, implementation of a robust Core Banking Software (CBS) is very important. It is a pleasure to mention that to further improve quality of service we are going to procure a CBS with state of the art features so as to incorporate all service and compliance issues in a single platform.

Corporate Governance:

The need for establishing good governance in every sphere of both public and private sectors can not be overstated for ensuring accountability and transparency in the activities of the institutions working for the benefit and service of the people. Banks are of no exception, rather as it deals with public money, good governance is of utmost importance here. NCC Bank is well aware of this and has taken necessary measures as per requirements of the regulatory bodies such as Bangladesh Bank, Securities and Exchange Commission, etc.

Board Structure: The Board of Directors comprising 14 members puts forward policy guidelines for the Management in the light of Government Policy and laws/rules of the country. It also reviews the performance of the Management on periodical basis as against status of compliance of its observations and decisions made from time to time. During the year the Committee held 22 meetings.

Executive Committee: The Executive Committee of the Board acts as a supporting body of the Board and takes decision both on policy and business related issues for subsequent endorsement of the Board and thereby makes its task easier. During the year the Committee held 08 meetings.

Audit Committee: The findings of the ICC Divisions Audit Unit are regularly placed to the Audit Committee as per ICC guidelines. The Committee peruses and reviews the report and delivers required directives/suggestions for compliance of the Division/Branches concerned. Depending on the merit of the individual cases, the Committee, if felt needed, refers specific issues to the Board for necessary consideration and decision. During the year the Committee held 14 meetings.

Risk Management Committee of the Board: The Risk Management Committee of the Board regularly reviews risk factors related to the operations of the Bank. It identifies immediate issues call for specific attention of the Management for mitigating of risk observed. During the year the Committee held 04 meetings.

Financial Management:
All disclosures of Bank such as annual budget and financial statements are prepared with the approval of the Board of Directors. The Board, as part of its routine functions, regularly monitors various indicators of performance such as Income, Expenses, NPL, Provisions, etc to ensure good ratings by the regulators.

Management Structure:
The Management team under an able and experienced Managing Director and CEO running the day to day affairs of the Bank complying with the laws and in line with directives of the Board of Directors. In order to facilitate the task of the Management, a number of committees in line with the prudent guidelines issued by Bangladesh Bank discuss and take appropriate decisions on important business and administrative issues.

i) Management Committee (MANCOM): This is the highest policy making body at the Management level comprising all the members of the Senior Management Team of the Bank. The Committee sits on regular intervals and considers important issues for immediate solution.

ii) Asset Liability Management Committee (ALCO): This is another important committee of the Management primarily engaged in managing asset-liability position of the Bank to ensure that adequate liquid fund is available for present and immediate future investment. It also remains watchful to invest excess liquid fund, if any in profitable avenues on temporary basis.

iii) Head Office Credit Committee (HOCC): Head Office Credit Committee (HOCC) considers all business proposals as per its mandate or TOR for onward recommending to the Board or Management for approval. It has the authority to reject any such proposal if not found in order or may ask for additional information/data for review, if deemed considerable any potential business.

iv) Taskforce for Recovery of Classified Loans: Under the leadership of the MD and CEO this special committee continuously examines all slow moving and portfolio under various stages of non-performing and suggests strategies for recovery and corrective measures.

Code of Ethics/Policy of Business Conduct:
The affairs and welfare of the employees of the Bank are governed as per HR Management Policy approved by the prudent Board of Directors of the Bank. This Policy stipulated responsibility and entitlement of the employees in clear terms. It also includes a Code of Conduct for the employees to avoid conflict of interest in discharging their day to day duties.

Internal Control System and appropriate accounting Policy:
In order to ensure proper and adequate internal control and efficiency system has been established and result is observed by ways of review in regular intervals. Monitoring of internal control and compliance has also been ensured. Financial disclosures of the Bank are prepared in line with internationally accepted accounting policies as set out in the International Accounting Standards (IAS) as and where applicable.

Corporate Social Responsibility (CSR):
The Bank authority is much aware of its duties to the society as a socially responsible organization . It has been extending both monitory and material support to the needy people for long. Under its CSR activities, the Bank extends support in the fields like education, health-service both for medicine to individuals and surgical machineries to the hospitals/Institutes, infrastructure development, etc. In the field of education, the Bank runs a stipend scheme to extend support to the meritorious but financially impaired students to enable them to pursue their study. Like previous years, it is a pleasure to inform you that 66 such students have been awarded stipend last year also in a befitting ceremony in the presence of the honorable Governor of Bangladesh Bank. Some other mentionable fields of CSR are appended below:

Agricultural Credit: Agriculture is one of the major economic sectors of the country providing food grains for huge population of more than sixteen crore in size. The country which was dependent on foreign aid in terms of food has now become self-reliant and food exporting one over the passage of only a few decades. The farmers still toiling with their primitive means of cultivation have performed miracle in revitalizing the sector. Some innovations in terms of genetic modification have no double played important role here. The Bank is keen to extend support to this sector and so far allowed loan to Agro sector under its agro loan portfolio, outstanding of which as on 31.12.2016 was Tk.1937.37 million.

Women Entrepreneurs: Country's women folks constitute half of its total population. From time immemorial they are supplementing efforts of their counter part especially in

agriculture. However, this segment with their education is now coming out of house-hold activities and taking active part in business of various sorts. Bangladesh Bank has been encouraging the banks to open up opportunity to them. Accordingly, we have designed a scheme solely for Women entrepreneurs titled "NCCBL NariShabolombi" under which potential women entrepreneurs may avail credit facility under easy terms and conditions at a special rate of interest.

Day Care Centre: The Bank is running a Day Care Centre in partnership with some other banks to enable its female officers to keep their children there during the office hours and be tension & stress free to work whole heartedly.

Transport Management:
The Transport Policy of the Bank was prepared in line with guidelines of Bangladesh Bank and the vehicles are being used following its terms. According to the Policy the number of vehicles is consistent with the size of employees and branches and its growth is limited within 10% annually as is evident from the attached notes of Financial Statements shown at Sl 36.01 of the Annual Report-2016 under sub head Car Expenses exhibiting total expenses as Tk. 5,75,82,372 as on 31.12.2016 as against on Tk. 4,83,77,563 only of the year 2015. All other conditions noted in the BRPD Circular No.02 dated 16.01.2014 of Bangladesh Bank have been noted and being complied with accordingly.

National Integrity Strategy:
The government has announced the National Integrity Policy to establish good governance in the spheres of the society. Remaining true to this noble vision, NCC Bank Ltd formed a committee on National Integrity Strategy with a view to creating necessary awareness among its employees. Efforts are there to make the employees acquainted with the basic tenets of behavior to instill in them a sense of fairness.

Meeting of the Board of Directors and its Committees:
The Board of Directors, Executive Committee, Audit Committee and Risk Management Committee of the Board as part of routine met 22 , 08, 14 & 04 times during the year under reference.

Directors:
As per existing provisions of the Articles of Association of the Company and relevant Rules/Circulars/Notifications/Law/Acts/Rules of Regulatory Bodies in force and relevant clauses of Companies Act 1994, the following 2 (Two) Directors from Sponsors Group, 1 (One) Shareholding Director, and 1(one) Director of General Public Shareholders shall retire in the ensuing AGM by rotation. They are not eligible for re-election as Directors of the Bank in the said AGM.

From Group A: i.e. Sponsor Shareholders
(1) Mr. Abdus Salam
(2) Mr. A.S.M. Main Uddin Monem

From Shareholding Director
(1) Mr. Amjadul Ferdous Chowdhury

From Group C: i.e. General Public Shareholders
(1) Mr. Md. Harunur Rashid

Auditors:
Bank's External Auditors M/S ACNABIN Chartered Accountants have completed their 03 consecutives years as External Auditors of the Bank. As per provision of the concerned act, the shareholders of the Bank need to elect new external Auditors for the coming year. The Board of Directors of the Bank in its 358th meeting held on 14.05.2017 has recommended to appoint A. Qasem & Co. Chartered Accountants as the External Auditors of the Bank for auditing the Bank's accounts for 2017 at a remuneration of Tk. 3.00 Lac (Taka Three Lac) only for approval by the shareholders in the Bank's 32nd Annual General Meeting.

Future look out:
Present political stability in a way created scope for going forward with new investment for the Banks. Last few years' development encouraged the Banks to shift their focus from corporate lending to more manageable SME Sector. Also RMG is on the rise despite various hindrances put against both in internal and external environments. People are more than ever aspiring to avail banking services to meet their manifold needs. Banking is no longer confined in mere taking deposit and lending money only to earn profit. The above scenario calls for bringing out more customer friendly products and services to serve them better and expand network as well as ensure service excellence. We are all aware and hope to seize the opportunity in the years to come. We are sincerely hopeful to be successful in our efforts as before.

Conclusion:
Taking this opportunity on behalf of the Board of Directors of the Bank, I would like to convey my heartfelt and sincere thanks and gratitude to the government of the People's Republic of Bangladesh, Bangladesh Bank, Securities and Exchange Commission, Stock Exchanges both in Dhaka and Chittagong, various government agencies, regulatory bodies, stakeholders, patrons, valued clients, well-wishers and other stake-holders for their continued support, guidance and co-operation. The Board also wishes to record its appreciation to the management team and employees of all grades for contributing to the growth of the Bank achieved so far.

On behalf of the Board of Directors.



Abdus Salam
Chairman

Report of the Audit Committee of Board of Directors of National Credit and Commerce Bank Limited

Audit Committee of the Board

As per Banking Companies Act, 1991 (as amended in 2013) an Audit Committee of the Board of Directors of a banking company shall be formed to assist the Board of Directors of the Bank for smooth running of the banking business. Accordingly, the Audit Committee of the Board of Directors of National Credit and Commerce Bank Limited (NCCBL) has been constituted as per guidelines of Bangladesh Bank and Bangladesh Securities and Exchange Commission. Both the Regulators have emphasized on prudent and effective oversight by the Audit Committee of the Board for un-earthing lapses and irregularities, if any, committed by the Bank's officials at every tier and ensuring strict financial discipline in the Bank through recommendations to the Board. The major objectives of the Audit Committee of the Board are as follows:

- To implement the objectives, strategies and comprehensive business plans set by the Board of Directors for effective functioning of the Bank.
- To report its activities to the Board of Directors on periodical basis and give independent and unbiased opinion on the financial statements based on the findings of Statutory Auditors and other Inspection Teams of Internal and External Authorities.
- To review the merit and accuracy of financial reporting process, degree of effectiveness of the Bank's internal control system and management of financial reporting process, the system of internal control and management of financial risks, the audit process and the Bank's risk management process.
- To review the Bank's existing IT governance and security infrastructure including IT system audit and its control mechanism to protect the IT based fraud and forgery, as per guidelines of Regulatory Bodies.
- To assist the Management for maintaining close liaison with the Board of Directors and the Management, Shareholders, Depositors and other Stakeholders through fair and transparent dissemination of facts, which will help creating the confidence of the corporate arena on the Bank.
- To evolve effective process, policies and procedure for fair financial disclosure, developing industry best practices internal control system and maintaining liaison with Internal and External Auditors to minimize various post audit business and operational risks.

Composition of the Committee and Qualifications of the Members

The Audit Committee of the Board of Directors of National Credit and Commerce Bank Limited was constituted in accordance with Bangladesh Bank BRPD Circular No. 11 dated 27 October 2013 and Notification on Corporate Governance issued by BSEC on 07 August, 2012. The Audit Committee of the Board of NCCBL was last re-constituted in the 339th Meeting of the Board of Directors held on July 27, 2016 with the following members of the Board:

Sl No.	Name	Status with the Bank	Status with the Committee	Educational Qualification
01	Mr. Md. Amirul Islam FCS, FCA	Independent Director	Chairman	B.Com. (Hons), M.Com., DAIBB, FCS, FCA
02	Mr. Md. Abul Bashar	Director	Member	B.S. (MIS), USA
03	Mr. Md. Harunur Rashid	Director	Member	M.A.
04	Mr. Khairul Alam Chaklader	Director	Member	B.Com.
05	Mr. K.A.M. Haroon	Independent Director	Member	B.Sc. Engg.

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

Roles and Responsibilities of Audit Committee

In line with the Audit Plan-2016, the Audit Committee carried out its activities successfully to attain its prime objectives and other relevant responsibilities as per its Terms of Reference (TOR), with the guidance of the Board of Directors of the Bank as per the guidelines outlined in BRPD Circular No. 11 dated 27 October 2013, Corporate Governance Notification issued by BSEC on 07 August 2012 and considering other best practice corporate governance guidelines & standards. Some important roles and responsibilities of the Audit Committee of the Board are highlighted below:

Internal Control

- To evaluate whether the Management is setting the appropriate compliance culture by communicating the importance of internal control and other risk factors and ensuring that all employees are aware of their roles and responsibilities;
- To review the arrangements made by the management for building a suitable Management Information System (MIS) including computerization system and its applications;
- To consider whether internal control strategies as recommended by the Internal and External Auditors have been implemented by the Management;
- To review the existing risk management procedures for ensuring an effective internal check and control system;
- To review the corrective measures taken by the Management as regards the reports relating to fraud-forgery, deficiencies in internal control systems or other similar issues, detected by the Internal and External Auditors and Inspection Team of the Regulatory Authority(s) and inform the Board on a regular basis.

Financial Reporting

- To review the annual financial statements and determines whether this is complete and consistent with the accounting standards set by the Regulatory Authority(s) and also other half yearly, quarterly unaudited financial statements.

Internal Audit

- To review and approve Internal Audit Plan;
- To review the activities and organizational structure of the internal audit function(s) and ensures that no unjustified restrictions or limitations are imposed;
- To review the efficiency and effectiveness of internal audit functions;
- To review that findings and recommendations made by the Internal Auditors for removing the irregularities detected and also gives necessary advices to the Bank Management for running the affairs of the Bank efficiently.

External Audit

- To review the auditing performance of the Bank's External Auditors and the Bank's audited Annual Financial Statements.
- To review the findings and recommendations made by the External Auditors for removing the irregularities detected and also running the affairs of the Bank through the Management.
- To make recommendations to the Board of Directors of the Bank regarding appointment of the External Auditors.
- To advice for compliance with existing laws and Regulations.

Other Responsibilities

- To place compliance report before the Board of Directors on quarterly basis regarding regularization of the errors and omissions and actions suggested to resolve fraud and forgeries and other irregularities as detected by the Internal and External Auditors and Inspection Teams of Regulatory Authorities;
- To perform other oversight functions as desired by the Board from time to time and also evaluates the Committee's own performance on regular basis.

Meetings of the Audit Committee

The Audit Committee of the Board held 14 (Fourteen) meetings during the year 2016 and held detailed discussions on the findings of Bank's Internal Control and Compliances Division on the branches as well as Head Office Divisions/Departments as placed in its meetings. It has given prudent advices to the Management for improvement of Bank's financial health and proper advices to the Management to move in the right path.

The Audit Committee, among others, discharged the following responsibilities during the year 2016:

Internal Control

The Committee reviewed the existing internal control system in the company to introduce the appropriate compliance culture.

Internal Audit

- The Committee approved the audit plan for Internal Audit for the year 2016.
- The Committee introduced various formats for reporting facts and figures in a prudent way to the Committee.
- The Committee reviewed the efficiency and effectiveness of internal audit functions.
- The Committee reviewed the internal audit and inspection reports on branches and departments of Head Office of the Bank from time to time and gave necessary instructions to the Management to ensure compliance.
- The Committee reviewed any investigation report of Internal Auditors and recommend appropriate actions to the Board of Directors.

External Audit

- The Committee recommended the appointment of External Auditors of the Bank for the year 2016.
- The Committee finalized the Audit Report and Annual Financial Statements of the Bank for the year under report.
- The Committee reviewed and discussed on the Management Report of External Auditors and advised the Management to take appropriate actions as part of compliance.

Bangladesh Bank's Audit

- The Committee reviewed the Bangladesh Bank's Comprehensive Audit and Inspection Report and advised the Management to take appropriate actions as part of compliance.
- The Committee reviewed other compliance issues of Bangladesh Bank as and when required.

Financial Statement Reporting

- The Committee reviewed quarterly and half yearly financial statements of the Bank before submission of the same to the Board for approval.
- The Committee reviewed the annual financial statements of the Bank before submission to the Board for approval.

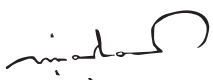
Others

- The Committee reviewed the loan write off proposals presented by the Management and made appropriate recommendations to the Board of Directors for their approval. The Committee has dealt with a number of other issues as per its Terms of Reference (TOR).

Acknowledgement

The Audit Committee expresses its sincere thanks to the Members of the Board of Directors of the Bank, Management Team and the External Auditors for extending their all out support in carrying out the duties and responsibilities of the Committee satisfactorily during the year 2016.

On behalf of the Audit Committee of the Board.



Md. Amirul Islam, FCS, FCA
Chairman
Audit Committee of the Board

Dhaka
April 10, 2017

SUSTAINABLE BANKING PRACTICES IN NCC BANK LTD.

Today, the way we are consuming resources on earth, the question arises what we will leave for future generation. The concept of sustainable development that is taking care of the need of present generation without compromising the needs of future generation, has given rise to green marketing and then green banking. Green banking is different from conventional banking as convention is based on the principle of security and profitability and morality has a very little role. Sustainable banking is a new concept that considers environmental and socially friendly investment.

Sustainable Banking defined as promoting environmental-friendly practices and reducing carbon footprint from banking activities. It involves a two pronged approach. Firstly, sustainable banking focuses on the green transformation of internal operations of all banks. It means all the banks should adopt appropriate ways of utilizing renewable energy, automation and other measures to minimize carbon footprint from banking activities. Secondly, all banks should adopt environmentally, responsible financing; weighting up environmental risks of project, before making financing decisions; and in particular supporting and fostering growth of upcoming green initiatives and projects. Generally Sustainable banking coverage includes: Ethical banking, Green loans, Green credit cards, Green savings accounts, Green checking accounts, Green money market accounts, Mobile banking, online banking, Remote deposit, Plastic money, Waste Management, Roof Gardening and Sustainable Financing.

As a responsible financial organization of the country with its crucial role in financing the economic and developmental activities of the country, NCCBL have to play in addressing the above issues, both in terms of its obligations and opportunities by virtue as a responsible corporate citizen and as a financier.

Green Banking Policy:
The NCCBL prepared its Green Banking Policy in light of the "Policy Guidelines for Green Banking" issued by the GB & CSR Department of Bangladesh Bank (GBCSRD Circular No 4) on August 11, 2013 and also formed separate "Green Banking Unit" with the responsibility for the design, implementation and evaluation of relevant green banking issues across the organization within the stipulated timeline, as well as for periodic reporting to the Sustainable Finance Department of Bangladesh Bank.

Recently, NCCBL has renamed its Green Banking Unit as "Sustainable Finance Unit" to comply with the Sustainable Finance Department Circular No-02, dated December 01, 2016 of Bangladesh Bank as well as to achieve 17 Sustainable Development Goals (SDG) & 169 targets as declared by United Nation (UN).

Green Office Guide:
NCCBL prepared its "Green Office Guide" for internal use as a set of general instructions for the employees of the Bank which encourages to save paper, water, electricity, gas etc., reuse of equipments, using online communication system, adopting efficient electronic equipments, sharing office stationary etc. in order to save the environment.

Green Features bears by NCC Bank Bhaban (Head Office):
Several green features bears by our newly established NCC Bank Bhaban (Head Office) such as, scope of maximum use of daylights, using renewable energy (solar), energy saving bulbs, automatic stopping water faucets, low flush comod etc. All Officials are using Email & Gmail for communication, both side printing printers and photocopiers, E-tendering, sharing the office stationeries (stapler, punch machine, pin remover, marker, fluid etc.), energy efficient & environment friendly equipments and many more.


Solar Pannel at Head Office

Solar equipped Branches:
NCCBL has inaugurated 01 ATM Booth & 12 Branches which are being run by solar power such as Uttara, Tongi, Narshingdi, Maijdee, Madambibirhat, Juri, Rayerbazar, Faridgonj, Mahipal , Parulia, NCC Bank Bhaban branch and Head Office. Moreover, the Marketing and Branches Division (MBD) and Common Services Division (CSD) of our bank have already been advised to turn / open branch as green one to obtain Green Logo from Bangladesh Bank as well as to ensure regulatory compliance.



Training:
Employee awareness development and training on environmental & social risk and the relevant issues are continuous process as a part of the bank's Employee Training Program. As greening of mind, all newly recruited employees are trained on Green Banking during their Orientation Program. Moreover, we have arranged trainings and awareness building programs related to Green Financing, Green Banking, Financial Inclusions, Financial Literacy, Environmental Risk Management, etc throughout the year. During the year 2016, 310 Executives & Officers have participated in 13 different seminars/workshops, training sessions held at Bangladesh Bank, BIBM, NCCB Training Institute & other places.

Green Finance:
NCCBL is always encouraging financing environment friendly projects & also 50 green products of Bangladesh Bank (Bio-gas, Solar ,ETP, Recycling, Renewable energy, Fuel efficient plant, Green industry etc.) under refinance scheme of BB. For promoting green finance as well as to create eco friendly & zero wasting farming system, NCCBL signed an agreement with Enterprise Development Company Ltd. (EDCL) to facilitate against "Four Cow Model" projects under Bogra, Rajshahi, Khulna & Joydevpur Branch. During the year 2016, the Bank has provided Tk. 8355.88 millon as both direct & indirect Green Finance.


Bio-Gas

Utilization of Climate Risk Fund:
NCCBL participated as a Gold partner of a Green Conference titled "Green Finance for Sustainable Development" organized by Bangladesh Solar & Renewable Energy Association (BSREA) at Pan Pacific Sonargaon, Dhaka on 12.01.2016 to make awareness among the stakeholders as well as corporate social responsibility to the society, where The Governor & Deputy Governor of Bangladesh Bank attended as chief guest & special guest.

NCCBL also participated as an Event partner of a Green Conference titled "Green Development Conference 2016" organized by NEOSTAR Innovation at The Daily Star Centre, Dhaka on 15.12.2016 where The Danish Ambassador to Bangladesh attended as Chief Guest.



The Bank also provided fund to Flood affected people and distributed blankets to the Cold affected poor's of the country & Heritage Creative Council for beautification project at Science Lab Moor, Dhaka as CSR activities.

Green Marketing:
NCC Bank has launched various products under Green Finance such as Intranet Banking, On line Banking, SMS Banking, Credit Card, Debit Card and NCC Bank Sure Cash, E-Recruitment, E- Tender etc. along with Refinance Scheme for setting up Bio-Gas Plants, Solar Panels, ETP, vermicompost, Hydroelectricity, Hybrid- Hoffman Brick Kiln etc., ADB Refinance Scheme for Brick Kiln Efficiency Improvement. & BB refinance scheme for Tk.10 (taka ten) account holding small/marginal/landless farmers, low income professionals and marginal/ small businessmen who are victim of natural calamities under financial inclusion program.

NCCBL prepared a green brochure to promote 50 green products of Bangladesh Bank and distributed among our valued clients through all branches which is also available in our intranet web portal as well as our official website.

Online Banking:
All of the branches of NCCBL are well equipped with online facilities. Bank gives more emphasis to make environmental protection and sustainability by reducing use of paper, carbon emission, printing costs and postage expenses. We have already started sending balance confirmation through SMS to our valued account holders' through cell phone at end of each month. Our ATM services are available at door step of clients providing 24/7 nonstop services.

Assessing Environmental Risk factors in Credit approval process:
While processing the credit proposals, Credit Risk (approval) Management Division give special attention on Environmental Due Diligence whether the projects are environment friendly & assess EnvRR as per check list complying Bangladesh Bank Environmental Risk Management (ERM) Guidelines and classify manufacturing Units as Green, Orange A, Orange B & Red. Meantime

branches are advised to ensure Environmental & Social Risk assessment as advised by BB.



Green industry financed by NCCBL

Agreement with Bangladesh Bank to avail refinances:
NCC Bank Ltd. signed 02 (Two) participation agreements with Bangladesh Bank to avail refinance under "Energy Efficient and Environment Friendly Financeable Sectors" and "Brick Kiln Efficiency Improvement Projects".



Recently, NCCBL has signed an agreement for availing of Green Transformation Fund (GTF) with Bangladesh Bank to accelerate sustainable growth in export-oriented textile & leather sectors.

Financial inclusion Program:
NCC Bank Ltd. has signed a participation agreement to avail refinance scheme for "Tk.10 (Taka Ten) account holding small/marginal/landless farmers, low income professionals and marginal/ small businessmen who are victim of natural calamities under financial inclusion program" to ensure our contribution in the financial inclusion process by bringing the marginal people of the country under the umbrella of banking services. NCCBL already opened 3394 no of Tk. 10 A/cs & facilitated loan of Tk. 14.63 million among the Tk. 10 A/c holders refinance scheme of BB to make access of under privileged persons to banking facility.

Financial Literacy:
As our social responsibility and also to get a good & capable citizen in future, most of the branches of NCCBL arranged School Banking Campaign throughout the country to encourage school going students for opening of Bank Accounts as well as to input knowledge about money, how to save, how to invest etc. As a part of this, BB has selected NCCBL as the Lead Bank in Madaripur district, accordingly NCCBL has started working in the area.

NCCBL published its calendar 2016 & 2017 designed with green banking concept & various types of renewable energy & its uses in order to build-up awareness about Sustainable Development Goals (SDG) among its customers as well as the nation. The Bank has also introduced various posters, banners, brochures, pamphlets, advertisements, 02 billboards (at Mawa, Dhaka-Khulna Highway & Matuail, Jatrabari in Dhaka), campaigns regarding its products to motivate its clients to plant at least one plant, before setting up industry take control & mitigation of pollution, to ensure efficient use of electricity, water, paper & reuse of equipments, use energy saving bulbs & other eco-friendly equipments to save energy.

NCCBL has also taken initiatives to work with BIBM to facilitate awareness on green banking.

Information related to environmental issues:
All information on Green /Responsible / Sustainable Banking, Green Finance, Financial Inclusions & Financial Literacy are available in the "Go Green" icon in our intranet web portal (http://apps.nccbank.com.bd). Moreover, anyone can communicate with the Sustainable Finance Unit (SFU) through Gmail (address: greenbanking@nccbank.com.bd) or through TNT no - 02-9512620 for any clarification.

Disclosure : The Sustainable Finance Unit (SFU) of NCCBL has been reporting its sustainable banking activities to Bangladesh Bank, in Bank's website as well as Annual Report.

NCCBL will continue its journey towards sustainable banking through bank's suitable operation and financing being environmentally & social friendly. Upholding the ideology "Respect for Nature", as one of its pertinent core values.

CREDIT RATING REPORT

Alpha Credit Rating Limited **(AlphaRating)** has assigned **'AA'** (pronounced **'Double A'**) rating in the Long Term and **'ST-1 (AR-1)'** rating in the Short Term with Stable Outlook to **NCC Bank Limited** based on Audited Financial Statements of 2015. The rating also takes into consideration of improving profitability position, adequate statutory capital base, performance of rescheduled accounts, consistency in dividend payment and adherence to compliance issues. The above rating also reflects the NCCB's strong Balance Sheet along with experienced management. Details of the rating are as under:

Ratings	Year	
	2015	2014
Long Term	**AA (Very Strong Capacity)**	**AA (Very Strong Capacity)**
Short Term	**ST-1 (AR-1) (Superior Capacity)**	**ST-2 (AR-2) (Strong Capacity)**
Outlook	**Stable**	**Stable**
Date of Rating	June 29, 2016	June 30, 2015
Valid till	June 28, 2017	June 29, 2016
Rating action	Surveillance	Surveillance

An institution rated **'AA'** in the long term have very strong capacity to meet its financial commitments and rated **'ST-1 (AR-1)'**in the short term have superior capacity to meet its financial commitments in a timely manner. **Stable Outlook** indicates that the Rating is likely to remain unchanged.

Five Years Performance at a Glance

Figure in Million Taka where applicable

Particulars	2012	2013	2014	2015	2016
Balance Sheet	**Taka**	**Taka**	**Taka**	**Taka**	**Taka**
Authorised capital	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Paid up capital	6,951.74	7,646.91	8,029.25	8,832.18	8,832.18
Statutory reserve	3,818.04	4,283.42	4,783.51	5,224.07	5,927.55
Other reserve (incuding general & assets revaluation reserve)	479.89	460.92	394.20	432.46	366.00
Retained earnings (Profit & Loss Account)	886.15	878.58	1,042.17	1,165.94	1,416.46
Shareholders' equity	12,135.82	13,269.83	14,249.14	15,654.64	16,542.20
Deposits	96,918.22	98,229.44	105,703.61	112,722.21	132,764.87
Loans and advances	79,948.22	88,167.20	90,920.77	104,854.73	126,003.48
Investments	30,851.74	19,908.32	26,568.66	21,457.59	23,958.16
Fixed assets	1,743.59	1,736.64	2,573.25	2,628.18	2,500.13
Total assets (excluding contra items)	125,841.50	124,042.70	135,159.52	146,369.95	172,706.23
Total assets (including contra items)	149,973.98	150,278.49	169,681.09	180,622.89	214,046.51
Capital					
Total risk weighted assets (RWA)	111,451.00	117,820.23	112,720.56	122,752.60	147,483.46
Tier-I capital	11,666.09	12,819.07	13,865.10	15,232.35	16,113.80
Tier-II capital	1,111.78	1,168.37	1,262.32	1,361.81	1,532.80
Total capital	12,777.87	13,987.44	15,127.42	16,594.15	17,646.60
Tier-I capital adequacy ratio	10.47%	10.88%	12.30%	12.41%	10.93%
Tier-II capital adequacy ratio	1.00%	0.99%	1.12%	1.11%	1.04%
Capital to Risk Weighted Assets (CRAR)	11.47%	11.87%	13.42%	13.52%	11.97%
Asset Quality					
Amount of non-performing loans & advances	4,369.02	4,862.41	6,735.52	7,409.95	7,274.01
Non performing loans & advances as % of total loans & advances	5.51%	5.56%	7.49%	7.18%	5.92%
Specific provision against classified loans and advances	1,705.14	2,663.39	2,705.15	3,169.66	3,312.15
General provision against un-classified loans and advances	620.74	667.96	721.24	851.68	979.71
General provision against off-balance sheet items	256.17	274.62	345.22	345.22	413.40
Percentage (%) of net classified loan	3.59%	2.53%	4.48%	4.12%	3.22%
Interest suspense balance	613.31	979.43	1,488.80	1,719.32	1,923.58
Foreign Exchange Business					
Import	45,283.46	52,614.08	51,308.41	49,995.21	56,406.85
Export	13,346.66	14,549.29	14,354.30	17,137.57	16,720.86
Remittance	21,705.40	16,323.39	18,703.40	15,371.00	17,316.47
Financial Performance					
Interest income on loans and advances	11,668.75	12,194.10	12,019.78	11,146.34	11,272.07
Interest paid on deposits and borrowings	9,427.21	10,154.70	9,339.23	8,056.17	7,281.26
Net interest margin	2,241.54	2,039.39	2,680.56	3,090.17	3,990.81
Net interest margin (%)	3.89%	2.93%	2.56%	2.48%	2.80%
Income from investments	2,793.48	2,801.83	2,672.99	2,678.53	2,015.41
Total income	15,606.88	16,227.89	15,961.79	15,006.91	14,850.84
Total expenses	11,580.06	12,529.08	12,214.99	11,140.65	10,359.62
Operating profit	3,958.12	3,698.81	3,746.80	3,866.26	4,491.22
Provision for loans & advances and other provisions made during the year	1,274.07	1,371.94	1,246.32	1,638.55	948.81
Profit before tax	2,742.75	2,326.88	2,500.48	2,202.71	3,517.41
Provision for tax	1,308.99	1,189.03	999.15	838.89	1,439.30
Profit after tax	1,433.76	1,137.84	1,501.33	1,363.82	2,078.11
Profit available for distribution	886.15	878.58	1,042.17	1,165.94	1,416.46

Figure in Million Taka where applicable

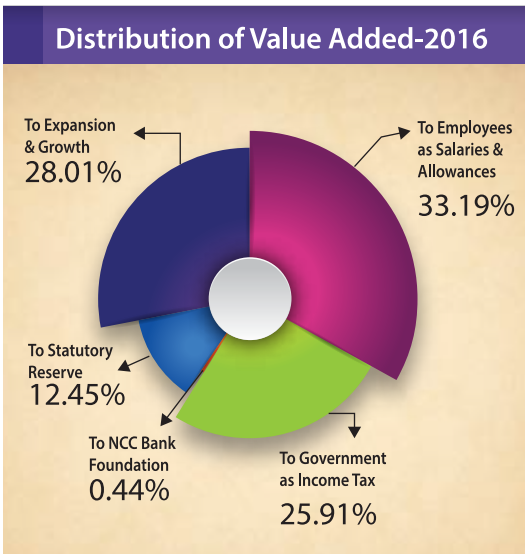
Particulars	2012	2013	2014	2015	2016
Shareholders' Information	**Taka**	**Taka**	**Taka**	**Taka**	**Taka**
Earnings per share (EPS)	2.06	1.49	1.70	1.54	2.35
Price earnings (PE) ratio (times)	8.73	8.80	6.59	5.89	5.36
Dividend : Cash (%)	-	6%	-	12.75%	16%
Bonus (%)	10%	5%	10%	-	-
Right Share	-	-	-	-	-
Net asset value (NAV) per share	17.46	17.34	16.13	17.72	18.73
Net operating cash flow per share	2.16	4.06	1.97	2.75	4.85
Market value of share	18.20	13.10	11.20	9.10	12.60
Market capitalisation	12,652.16	10,017.45	8,992.77	8,037.28	11,128.55
Number of shares (Nos.)	695,173,558.00	764,690,913.00	802,925,458.00	883,218,003.00	883,218,003.00
Number of shareholders (Nos.)	90089	96213	88,643	76045	62411
Financial Ratios					
Credit Deposit Ratio (CDR) (%)	77.00%	83.00%	77.41%	83.57%	83.92%
Return on equity (ROE) (%)	11.81%	8.96%	10.87%	9.12%	12.91%
Return on assets (ROA) (%)	1.14%	0.91%	1.16%	0.97%	1.30%
Cost of fund (%)	11.95%	11.61%	10.81%	9.84%	8.37%
Cost income ratio (%)	72.05%	76.61%	76.53%	74.24%	69.76%
Other Information					
Number of branches	93	101	103	104	106
Number of ATM	47	56	67	73	73
Number of employees	1811	2192	2277	2296	2310
Number of foreign correspondents	434	420	396	405	393
Credit Ratings					
Long term	AA-	AA	AA	AA	AA
Short term	ST-2 (AR-2)	ST-2 (AR-2)	ST-2 (AR-2)	ST-2 (AR-2)	ST-1 (AR-1)

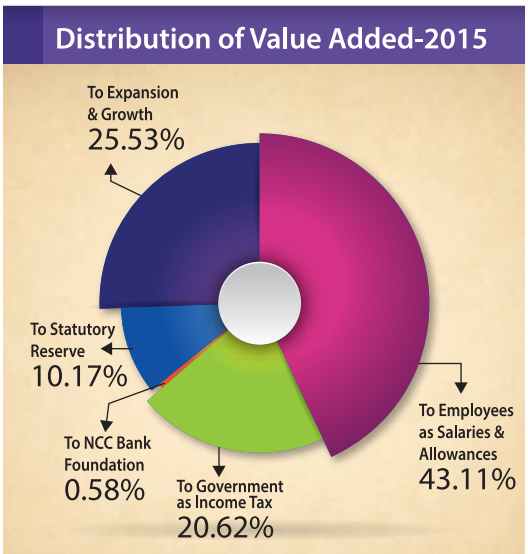
NCC BANK LIMITED
Value Added Statement

For the year ended December 31, 2016

The Value added statement for the bank shows how the value is created and distributed among different stakeholders of the bank.

Particulars	2016 Taka	%	2015 Taka	%
Income from Banking Services	14,850,842,682		15,006,905,262	
Less: Cost of Services & Supplies	8,250,005,406		9,035,818,153	
Value Added by the Banking Services	**6,600,837,276**		**5,971,087,109**	
Less: Provisions	948,811,160		1,638,552,537	
	5,652,026,116		**4,332,534,572**	
Distribution of Value Added				
To Employees as Salaries & Allowances	1,876,183,344	33.19%	1,867,554,514	43.11%
To Government as Income Tax	1,464,160,915	25.91%	893,261,811	20.62%
To NCC Bank Foundation	25,000,000	0.44%	25,000,000	0.58%
To Statutory Reserve	703,482,063	12.45%	440,541,521	10.17%
To Expansion & Growth	1,583,199,794	28.01%	1,106,176,727	25.53%
Retained Earnings for Current Year	1,374,625,433		923,275,214	
Deferred Tax	(24,858,096)		(54,370,942)	
Depreciation	233,432,457		237,272,455	
	5,652,026,116	**100.00%**	**4,332,534,572**	**100.00%**





NCC BANK LIMITED
Economic Value Added Statement

For the year ended December 31, 2016

Economic Value Added (EVA) indicate the true economic profit of a company. EVA is an estimate of the amount by which earnings exceed of fall short of required minimum return for shareholders at comparable risks. EVA of the bank stood at Tk. 186.54 Million as on December 31, 2016 as against Tk. -191.18 million in 2015.

Particulars	2016 Taka	2015 Taka
Total Revenue	14,850,842,682	15,006,905,262
Less: Expenses	11,333,432,367	12,804,197,659
Profit Before Tax (PBT)	**3,517,410,315**	**2,202,707,603**
Less: Corporate Tax	1,439,302,819	838,890,869
Profit After Tax (PAT)	**2,078,107,496**	**1,363,816,734**
Shareholders' Equity	16,542,196,216	15,654,638,259
Add: Provision for Loans and Advances & Off-Balance Sheet Items	4,729,657,324	4,377,745,519
	21,271,853,540	**20,032,383,778**
Average Shareholders' Equity	16,098,417,238	14,951,891,411
Cost of Capital*	11.75%	10.40%
Capital Charges	1,891,564,025	1,554,996,707
Economic Value Added (PAT-Capital Charges)	**186,543,471**	**(191,179,973)**

* Based on weighted average rate of Sanchya Patra issued by the Bangladesh Government plus 1% risk premium.

NCC BANK LIMITED
Market Value Added Statement

For the year ended December 31, 2016

Market Value Addition (MVA) is the difference between the equity market value of a company and the book value of equity invested in the company. A high MVA indicates that the company has created substantial wealth for the Shareholders.

Particulars	2016 Taka	2015 Taka
Market Value of Total Equity	11,128,546,838	7,306,621,668
Less: Book Value of Total Equity	16,542,196,216	15,654,638,259
Market Value Added	**(5,413,649,378)**	**(8,348,016,591)**

Disclosures on Risk Based Capital (Basel III)

As on 31 December 2016

The purpose of Market Discipline in Basel III is to complement the minimum capital requirements and the supervisory review process. The aim of introducing Market Discipline is to establish more transparent and more disciplined financial market so that stakeholders can assess the position of a Bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy to meet probable loss of assets. For the said purpose, National Credit and Commerce Bank Limited (NCCBL) has developed a set of disclosures called "Disclosures on Risk Based Capital (Basel III)" which contains key piece of information on the assets, risk exposures, risk assessment process, and hence the capital adequacy to meet the risks in accordance with Bangladesh Bank guidelines.

1.0 Scope of Application:

Qualitative Disclosures		
a)	The name of the top corporate entity in the group to which this guidelines applies;	**National Credit and Commerce Bank Limited (NCCBL)**
b)	An outline of differences in the basis of consolidation for accounting & regulatory purposes, with a brief description of the entities within the group (a) that are fully consolidated, (b) that are given a deduction treatment and (c) that are neither consolidated nor deducted (e.g. where the investment is risk- weighted);	The disclosure made in the following sections has addressed NCCBL as a single entity (Solo Basis) as well as a consolidated entity (Consolidated Basis), the scope of which is as under: • 'Solo Basis' refers to all position of the Bank including the Offshore Banking Unit. • 'Consolidated Basis' refers to all position of the Bank and its Subsidiaries. **The Consolidated Financial Statements of NCCBL includes the Financial Statements of:** • National Credit and Commerce Bank Limited • NCCB Securities & Financial Services Limited • NCCB Capital Limited A brief description of the Bank and its subsidiaries is given below: • **National Credit and Commerce Bank Limited (NCCBL)** NCCBL was formed as a public limited banking company incorporated in Bangladesh with primary objective to carry on all kinds of banking business in and outside Bangladesh. NCCBL was formed as a public limited banking company incorporated in Bangladesh with primary objective to carry on all kinds of banking business in and outside Bangladesh. The registered office of the Bank is located at NCC Bank Bhaban, 13/1-2, Toyenbee Circular Road, Motijheel Commercial Area, Dhaka-1000 (previously the registered office situated at 7-8, Motijheel C/A, Dhaka-1000). It commenced its banking business with 16 branches from May 17, 1993 under the license issued by Bangladesh Bank. The Bank presently has a business network comprising 106 branches (including 9 SME/ Agriculture Branches) and 73 own ATM booths all over Bangladesh. It is a conventional commercial Bank. The Bank has no overseas branch as at 31 December 2016. It carries out all banking activities through its branches in Bangladesh. The Bank went for initial public offering in 1999 and its share is listed with Dhaka and Chittagong Stock Exchange Limited as a publicly traded company. • **Offshore Banking Unit** Offshore Banking Unit (OBU) is a separate business unit of NCCBL governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of offshore banking unit located at Foreign Exchange Branch & Agrabad Branch vide Bangladesh Bank letter no. BRPD (P-3)744(113)/2010-1648 dated 02 May 2010. The Bank commenced the operation of its offshore banking unit from 26 August 2013 at Foreign Exchange branch, Dhaka. During the year, operation of offshore banking unit, which was operating in Foreign Exchange Branch, has been transferred to NCC Bank Bhaban Branch, Dhaka.

		• **Subsidiaries of National Credit and Commerce Bank Limited:** The Bank has 02 (Two) Subsidiary companies as on 31 December 2016. Previously the Bank had 03 (Three) Subsidiary Companies. During the year 2015 operation of NCCB Exchange (UK) Limited, a subsidiary of NCCBL, has been discontinued which was also approved by the UK Companies House on 4 August 2015 and the Board of Directors of the Bank in its 325th meeting held on 28 November 2015. • **NCCB Securities and Financial Services Limited (NCCBSFSL)** NCCB Securities and Financial Services Limited is a Subsidiary Company of NCC Bank Limited incorporated as a Private Limited Company on 4 April 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83683/10 dated 4 April 2010 under the Companies Act-1994. NCCBSFSL commenced its operation from March 07, 2011. The Main objective of the company is to act as a full-fledged Stock Broker & Stock Dealer to execute buy and sell order and to maintain own portfolio as well as customers' portfolio under the discretion of customers. The company also performs the other activities relates to Capital Market as and when regulators permit the company to carry out activities as per their guidelines. • **NCCB Capital Limited (NCCBCL)** NCCB Capital Limited (NCCBCL) is a Subsidiary Company of NCCBL incorporated as a Private Limited Company on 1 April 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83649/10 dated 1 April 2010 under the Companies Act-1994. The main objective of the company is to provide full-fledged merchant banking services like issue management, underwriting, advisory services & as and when regulators permits the company to carry out activities as per their guidelines. NCCBCL was not in operation till December 31, 2016.
c)	Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group;	Not applicable.

Quantitative Disclosure		
d)	The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group;	Not applicable.

2.00 Capital Structure:

Qualitative Disclosure		
	Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or Tier 2;	In accordance with the Risk Based Capital Adequacy Guidelines issued by Bangladesh Bank in December 2014, the Capital Structure of the Bank is categorized into two Tiers – 1) Tier I and 2) Tier II. The components of the total regulatory capital are enumerated as under: 1. Tier 1 Capital (going-concern capital) a. Common Equity Tier 1 b. Additional Tier 1 2. Tier 2 Capital (gone-concern capital) **Tier 1 Capital: (Going-concern capital)** Going-concern capital is the capital which can absorb losses without triggering bankruptcy of the Bank. As such, from regulatory capital perspective, Tier 1 capital is the core measure of a Bank's financial strength. **As per the guidelines of Bangladesh Bank, CET-1 Capital is comprised the following:** a) Paid up capital b) Non-repayable share premium account c) Statutory reserve d) General reserve e) Retained earnings f) Dividend equalization reserve g) Minority interest in subsidiaries, i.e. common shares issued by consolidated subsidiaries of the Bank and hold by third parties.

		Additional Tier 1 (AT 1) Capital consists of the following items: a) Non-cumulative irredeemable preference shares b) Instruments issued by the Bank that meet the qualifying criteria for AT 1 (The instrument is perpetual i.e. there is no maturity date) c) Minority Interest, i.e., AT 1 issued by consolidated subsidiaries to third parties. **Tier 2 Capital: (Gone-concern capital)** Gone-concern capital is the capital which will absorb losses only in a situation of liquidation of the Bank. Gone-concern capital also called Tier 2 capital. Gone-concern capital represents other elements which fall short of some of the characteristics of the core capital but contribute to the overall strength of a bank. **Tier 2 Capital consists of following items:** a) General provisions; (maximum 1.25 % of risk weighted assets) b) All other preference shares c) Subordinated debt/instruments issued by the Bank that meet the qualifying criteria for Tier 2 capital; (Minimum original maturity of at least five years) d) Minority interest i.e. Tier 2 issued by consolidated subsidiaries to third parties; e) Revaluation reserves (50% of fixed assets and securities, 10% of equity instruments) [The amount to be erased 20.00% each year which has already been started from January 2015] As per the guidelines of Bangladesh Bank, Tier-1 capital of NCCBL consists of (i) Fully paid-up capital, (ii) Statutory reserve, (iii) General reserve, (iv) Retained earnings and (v) Minority interest in subsidiaries.

Quantitative Disclosure

The amount of regulatory capital of the Bank as on 31 December 2016 is stated below:

BDT in Crore (where applicable)

Sl.	Particulars	Solo	Consolidated
1.0	**Tier 1 (Going-concern capital)**		
1.1	**Common Equity Tier 1 (CET 1)**		
1.1.1	Paid-up capital	883.22	883.22
1.1.2	Non-repayable share premium account	0.00	0.00
1.1.3	Statutory reserve	592.75	592.75
1.1.4	General reserv	1.02	1.02
1.1.5	Retained earnings	141.65	144.64
1.1.6	Dividend equalization reserve	0.00	0.00
1.1.7	Minority interest in subsidiaries	0.00	0.00
	Sub-total:	**1,618.64**	**1,621.63**
1.2	**Additional Tier 1 (AT 1)**		
1.2.1	Non cumulative irredeemable preference shares	0.00	0.00
1.2.2	Instruments (perpetual in nature)	0.00	0.00
1.2.3	Minority interest; i.e. AT1 issued by consolidated subsidiaries	0.00	0.00
	Sub-total:	**0.00**	**0.00**
	Total Tier 1 Capital	**1,618.64**	**1,621.63**
2.0	Tier 2 (Gone-concern capital)		
2.1	General provision	141.75	141.75
2.2	Subordinated debt	0.00	0.00
2.3	Revaluation reserve	11.53	11.53
	Total Tier 2 Capital	**153.28**	**153.28**
3.0	**Regulatory adjustments/deduction from capital**	**0.00**	**0.00**
	Total Eligible Capital	**1,764.66**	**1,782.26**

3.00 Capital Adequacy:

Qualitative Disclosure		
a)	A summary discussion of the Bank's approach for assessing the adequacy of its capital to support current and future activities;	**Methodology of Capital Adequacy Determination:** The Bank has computed the Capital to Risk Weighted Ratio (CRAR) adopting the following approaches: a. Standardized Approach for Credit Risk to Compute Capital to Risk Weighted Ratio under Basel III, using national discretion for: • Accepting the credit rating agencies as External Credit Assessment Institutions (ECAI) for claims on corporate and eligible SME customers. • Accepting Credit Risk Mitigation (CRM) against the financial securities. b. Standardized (rule based) Approach for Market Risk and c. Basic Indicator Approach for Operational Risk. **Assessment of the Adequacy of Capital:** For assessing Capital Adequacy, the Bank has adopt Standardized Approach for Credit Risk measurement, Standardized (Rule Based) Approach for Market Risk measurement and Basic Indicator Approach for Operational Risk measurement. The Bank focuses on strengthening risk management and control environment rather than increasing capital to cover up weak risk management and control practices. NCCBL has been generating most of its incremental capital from retained profit (stock dividend and statutory reserve transfer etc.) to support incremental growth of Risk Weighted Assets (RWA). Besides meeting regulatory capital requirement, the Bank maintains adequate capital to absorb material risk foreseen. Therefore, the Bank's Capital to Risk Weighted Assets Ratio (CRAR) remains consistently within the comfort zone. During the year 2016 the CRAR ranges from 11.85 % to 13.22% on consolidated basis and from 11.97% to 13.42% on solo basis against minimum requirement of 10% (10.625% including Capital conservation buffer) of Risk Weighted Assets (RWA). Basel implementation unit is taking active measures to identify, quantify, manage and monitor all risks to which the Bank's is exposed to.

Quantitative Disclosure

The Capital Requirement and Capital to Risk Weighted Asset Ratio (CRAR) of the Bank as on 31 December 2016 are as under:

Sl.	Particulars	Solo	Consolidated
	Capital requirement for credit risk	1,327.09	1,341.89
	Capital requirement for market risk	29.57	30.33
	Capital requirement for operational risk	118.16	131.22
	Total capital requirement under Pillar-I	**1,474.82**	**1,503.44**
	Total capital requirement under Pillar-I considering conservation buffer	**1,567.01**	**1,597.40**
	Capital to risk weighted asset ratio (CRAR)	**11.97%**	**11.85%**
	Common equity Tier-1 capital to risk weighted asset ratio	**10.93%**	**10.84%**
	Tier 1 capital to risk weighted asset ratio	**10.93%**	**10.84%**
	Tier 2 capital to risk weighted asset ratio	**1.04%**	**1.02%**
	Capital conservation buffer	**1.97%**	**1.85%**
	Available capital for Pillar 2	197.65	184.85

4.00 Credit Risk:

Qualitative Disclosure		
The general qualitative disclosure requirement with respect to credit risk, including:		
a)	Definitions of past due and impaired (for accounting purposes);	As per relevant guidelines of Bangladesh Bank, NCCBL defines the past due and impaired loans and advances for strengthening the credit discipline and mitigating the credit risk of the Bank. The impaired loans and advances are defined on the basis of (i) Objective / Quantitative criteria and (ii) Qualitative judgment. For this purposes, all loans and advances are grouped into four (4) categories namely- (a) Continuous Loan (b) Demand Loan (c) Fixed Term Loan and (d) Short-term Agricultural & Micro Credit. **Definition of past due/overdue:** i. Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date; ii. Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/ overdue from the following day of the expiry date; iii. In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day of the expiry date; iv. The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/ overdue after six months of the expiry date. However, a continuous loan, demand loan or a term loan which will remain overdue for a period of 2 (two) months or more, will be put into the **"Special Mention Account (SMA)",** the prior status of becoming the loan into impaired/ classified/ non-performing. Definition of impaired / classified / non-performing loans and advances are as follows: **Classified loans are categorized in to:** 1. Sub-standard 2. Doubtful 3. Bad & Loss **Any continuous loan will be classified as:** • 'Sub-standard' if it is past due/overdue for 3 months or beyond but less than 6 months. • 'Doubtful' if it is past due/overdue for 6 months or beyond but less than 9 months. • 'Bad & loss' if it is past due/overdue for 9 months or beyond. **Any Demand Loan will be classified as:** • 'Sub-standard' If it remains past due/overdue for 3 months or beyond but not over 6 months from the date of claim by the bank or from the date of creation of forced loan. • 'Doubtful' if it remains past due/overdue for 6 months or beyond but not over 9 months from the date of claim by the bank or from the date of creation of forced loan. • 'Bad & loss' if it remains past due/overdue for 9 months or beyond from the date of claim by the bank or from the date of creation of forced loan. **In case of Fixed Term Loans:** In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the due date, the amount of unpaid installment(s) will be termed as `past due or overdue installment'.

<table>
<tr><th colspan="3">Qualitative Disclosure</th></tr>
<tr><td></td><td></td><td>• If the amount of "past due installment" is equal to or more than the amount of installment(s) due within 3 (three) months, the entire loan will be classified as "Sub-standard".

• If the amount of "past due installment" is equal to or more than the amount of installment(s) due within 6 (six) months, the entire loan will be classified as "Doubtful".

• If the amount of "past due installment" is equal to or more than the amount of installment(s) due within 9 (nine) months, the entire loan will be classified as "Bad & Loss".

In case of Short-term Agricultural and Micro-Credit, the loans will be considered:

• 'Sub-standard' if the irregular status continuous for a period of 12 months from the stipulated due date as per loan agreement;

• 'Doubtful' if the irregular status continuous for a period of 36 months from the stipulated due date as per loan agreement;

• 'Bad & loss' if the irregular status continuous for a period of 60 months from the stipulated due date as per loan agreement.</td></tr>
<tr><td>b)</td><td>Approaches followed for specific and general allowances and statistical methods;</td><td>As per the guideline of Bangladesh Bank regarding the provisioning of loans & advances, the Bank has followed the following approaches in calculating the specific & general provisions:
<table>
<tr><th colspan="2" rowspan="2">Types of Loans & Advances</th><th colspan="5">Rate of Provision Requirements</th></tr>
<tr><th>UC</th><th>SMA</th><th>SS</th><th>DF</th><th>BL</th></tr>
<tr><td rowspan="2">Consumer</td><td>House Building & Professionals</td><td>2%</td><td>2%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td>Other than Housing Finance & Professionals to setup Business</td><td>5%</td><td>5%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td colspan="2">Brokerage House, Merchant Banks, Stock Dealers, etc.</td><td>2%</td><td>2%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td colspan="2">Short Term Agri. Credit and Micro Credit</td><td>2.50%</td><td>2.50%</td><td>5%</td><td>5%</td><td>100%</td></tr>
<tr><td colspan="2">Small & Medium Enterprise Finance</td><td>0.25%</td><td>0.25%</td><td>20%</td><td>50%</td><td>100%</td></tr>
<tr><td colspan="2">Others</td><td>1%</td><td>1%</td><td>20%</td><td>50%</td><td>100%</td></tr>
</table>
Methods used to measure Credit Risk:

As per Bangladesh Bank Guidelines, the Bank follows Standardized Approach for measurement of Credit Risk adopting the credit rating agencies as External Credit Assessment Institutions (ECAIs) for claims on Bank & Non-banking Financial Institutions (BNBFIs), Corporate & eligible SME Customers and Credit Risk Mitigation (CRM) against the financial securities & guarantees of loan exposure.</td></tr>
<tr><td>c)</td><td>Discussion of the bank's credit risk management policy;</td><td>Credit risk arises while the borrowers or counterparty to a financial transaction fails to discharge an obligation as per agreed covenants, resulting in financial loss to the Bank. Credit exposures may arise from both the banking and trading books as well as Off-Balance sheet exposures. Credit risk is managed in the NCCBL through a framework that spell out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the businesses and approvers in the risk function. All credit exposure limits are approved within a defined credit approval authority framework. Credit policies and standards are considered and approved by the Board of Directors.</td></tr>
</table>

Qualitative Disclosure		
		4.1 Credit Risk Identification Risk measurement plays a central role, along with judgment and experience, in informing risk taking and portfolio management decisions. The standard Credit Risk Grading (CRG) system is used in both Corporate and SME Banking. The Grading is used to assess the client along with a range of quantitative and qualitative factors. Our credit grades against Corporate & Medium clients are supported by external credit grades, and ratings assigned by external Rating Agencies. **4.2 Credit Approval** Major credit exposures to individual borrowers, groups of connected counterparties and portfolios of retail exposures are reviewed by and recommended for approval to the competent authority by the risk review units. All credit approval authorities are delegated by the Board of Directors to executives based on their capability, experience & business acumen. Credit origination and approval roles are segregated in all cases. **4.3 Credit Monitoring** We regularly monitor credit exposures, portfolio performance, and external trends through relationship and credit administration team at Branch and Head Office. Internal risk management reports containing information on key environmental, political and economic trends across major portfolios, portfolio delinquency & loan impairment performance; as well as credit grade migration are presented to Credit Monitoring Cell (CMC). The CMC meets regularly to assess the impact of external events and trends on the credit risk portfolio and to define and implement our response in terms of appropriate changes to portfolio shape, underwriting standards, risk policy and procedures. Accounts or Portfolios are placed on Early Alert (EA) when they display signs of weakness or financial deterioration. Such accounts and portfolios are subjected to a dedicated process overseen by the Special Asset Management Division (SAMD). Account plans are re-evaluated and remedial actions are agreed and monitored. In Retail Banking, portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behavior is also tracked and informed in lending decisions. Accounts which are past due are subject to a collections process, monitored in collaboration with the relationship manager by the risk function. Charged-off accounts of the Bank are managed by specialist recovery teams of Special Asset Management Division (SAMD). **4.4 Concentration Risk** Credit concentration risk in managed within concentration caps set for counterparty or groups of connected counterparty, for industry sector; and for product. Additional targets are set and monitored for concentrations by credit committee. Credit concentrations are monitored by the responsible risk committees in each of the businesses and concentration limits that are material to the Bank are reviewed and approved at least annually by the Board of Directors. **4.5 Credit Risk Mitigation** Potential credit losses from any given account, customer or portfolio are mitigated using a range of tools such as collateral, netting agreements, insurance, and other guarantees. The reliance that can be placed on these mitigates is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. Risk mitigation policies determine the eligibility of collateral types. Collateral types which are eligible for risk mitigation include; cash, residential, commercial and industrial property; fixed assets such as motor vehicles, plant and machinery, marketable securities, commodities, bank guarantees, and letters of credit. Collateral is valued in accordance with our Methodology for Valuation of Security/Collateral Assets, which prescribes the frequency of valuation for different collateral types, based on the level of price volatility of each type of collateral. Collateral held against impaired loans is maintained at fair value.

Quantitative Disclosures

Distribution of Credit Exposure by Major Types:

Types of Credit Exposure	BDT in Crore	%
Industrial loan	5,790.11	45.95%
Commercial lending	1,949.46	15.47%
Export finance	438.84	3.48%
Import finance	1,890.06	15.00%
Retail loan	983.47	7.81%
Agricultural loan	201.10	1.60%
House building	590.57	4.69%
Transport loan	37.02	0.29%
Staff loan	59.43	0.47%
Others	660.30	5.24%
Total	**12,600.35**	**100.00%**

Geographical Distribution of Credit Exposure:

Division	BDT in Crore	%
Dhaka	8,448.61	67.05%
Chittagong	3,244.44	25.75%
Khulna	211.91	1.68%
Rajshahi	180.26	1.43%
Sylhet	234.55	1.86%
Rangpur	199.00	1.58%
Barisal	29.31	0.23%
Mymensingh	52.26	0.41%
Total	**12,600.35**	**100.00%**

Industry Type Distribution of Exposure:

Types of Credit Exposure	BDT in Crore	%
Commercial trade financing	1,949.46	15.47%
RMG & textiles industry	837.08	6.64%
Other manufacturing industries	3,731.30	29.61%
Construction (other than housing)	287.44	2.28%
Housing industry	303.12	2.41%
Telecommunication, transport & communication	37.01	0.29%
Service industry	915.20	7.26%
Food products & processing	883.99	7.02%
Power & energy	471.18	3.74%
Agriculture	201.10	1.60%
Shipping industries	51.64	0.41%
Others	2,931.83	23.27%
Total	**12,600.35**	**100.00%**

Residual Contractual Maturity wise Distribution of Exposure:

Particulars	BDT in Crore
On demand	3.19
Not more than three months	6,269.30
More than three months but less than one year	3,126.16
More than one year but less than five years	2,281.61
More than five years	920.09
Total	**12,600.35**

Loans & Advances and Provision: ***BDT in Crore***

Particulars	Loans & Advances	Provision Against Loans & Advances
Total loans and advances	**12,600.35**	**429.16**
Un-classified loans & advances	11,872.95	97.97
Classified loans and advances	**727.40**	**331.19**
Sub-standard (SS)	19.90	3.09
Doubtful (DF)	108.10	32.46
Bad & loss (BL)	599.41	295.64
Off-balance sheet Items	4,134.03	41.34

Gross Non Performing Assets (NPAs):

Particulars	BDT in Crore
Gross non-performing assets (NPAs)	727.40
Total loans and advances	12,600.35
NPAs to outstanding loans & advances (%)	5.77%

Movement of Non Performing Assets (NPAs):

Particulars	BDT in Crore
Opening balance	741.00
Additions	365.65
Reductions	379.25
Closing balance	**727.40**

Movement of Specific Provisions for NPLs:

Particulars	BDT in Crore
Opening balance	316.97
Adjustment due to write-off	(69.26)
Add: Recoveries of amount previously written off	1.65
Provisions made during the period	81.86
Closing Balance	**331.21**

5.00 Equities: Disclosures for Banking Book Positions:

Qualitative Disclosures		
The general qualitative disclosure with respect to equity risk, including:		
a)	Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons; and	The main purpose of holding of equity exposure is for capital gain. The Bank holds equity exposure within set rules of Bangladesh Bank. The quoted shares are valued at market price and the unquoted shares are valued at their cost price.
b)	Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.	

Qualitative Disclosures

BDT in Crore

Particulars	Cost Price	Market Price
Investment In quoted share	162.45	122.41

Particulars	BDT in Crore
Realized gains	2.52
Unrealized gains	3.89
Unrealized losses	(43.93)
Net unrealized gains/(loss)	(40.04)
Capital requirement for equity risk (specific & general)	24.48

Capital Requirement as per Grouping of Equity:

BDT in Crore

			Capital Charge		
Sector	**Cost Price**	**Market Price**	**Specific Risk**	**General Market Risk**	**Total**
Pharmaceuticals & chemicals	5.29	5.57	0.56	0.56	1.11
Mutual fund	28.37	30.09	3.01	3.01	6.02
Telecommunication	4.86	4.43	0.44	0.44	0.89
Textile	11.27	7.55	0.75	0.75	1.51
Fuel & power	32.54	24.84	2.48	2.48	4.97
Financial institutions	25.06	13.32	1.33	1.33	2.66
Engineering	8.23	8.28	0.83	0.83	1.66
Bank	26.12	16.91	1.69	1.69	3.38
Ceramic sector	0.78	1.15	0.12	0.12	0.23
Travel & leisure	8.20	4.14	0.41	0.41	0.83
Insurance	10.89	5.30	0.53	0.53	1.06
Tannery	0.35	0.62	0.06	0.06	0.12
Miscellaneous	0.49	0.20	0.02	0.02	0.04
Total	**162.45**	**122.41**	**12.24**	**12.24**	**24.48**

6.00 Interest Rate Risk in the Banking Book (IRRBB):

Qualitative Disclosures		
a)	The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan repayments and behavior of non-maturity deposits, and frequency of IRRBB measurement.	Interest Rate in the Banking Book reflects the shocks to the financial position of the bank including potential loss that the Bank may face in the event of adverse change in market interest rate. This has an impact on earnings of the bank through Net Interest Earnings as well as on Market value of Equity or net worth. Thus this risk would have an impact on both earning potential and economic value of the Bank. The Bank uses Duration Gap Analysis (DGA) for deriving value of capital requirement for interest rate risk. The Bank ensures that interest rate risk is not included within the market risk. The Bank has calculated the rate sensitive assets and liabilities with maturity up to 12 months bucket and applied the sensitivity analysis to measure the level of interest rate shock on its capital adequacy.

Quantitative Disclosures

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

BDT in Crore

Particulars	**Up to 3 months**	**3-6 months**	**6-12 months**
Rate sensitive assets (RSA)	6,989.11	1,175.48	1,857.62
Rate sensitive liabilities (RSL)	7,105.78	1,010.83	962.53
Gap (RSA-RSL)	(116.67)	164.65	895.09

Interest Rate Shock on Capital	*BDT in Crore*
Total regulatory capital	1,764.66
Total risk weighted assets (RWA)	14,748.35
Capital to risk weighted asset ratio (CRAR)	11.97%

BDT in Crore (where applicable)

Assumed decrease in interest Rate	*1%*	*2%*	*3%*
Change in market value of equity	75.22	150.44	225.66
Capital after shock	1,689.44	1,614.22	1,539.00
CRAR after shock	11.81%	11.28%	10.76%
Decrease in CRAR	0.16%	0.69%	1.21%

7.00 Market Risk:

Qualitative Disclosures		
Market risk is a trading book concept. It may be defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The market risk positions subject to the risks pertaining to interest rate related instruments & equities in the trading book and foreign exchange risk & commodities risk throughout the Bank. This signifies the risk of loss due to decrease in market portfolio arising out of market risk factors. It may be mentioned that the Bank considers Interest Rate Risk on Banking Book separately.		
a)	Views of Board of Directors on trading/ investment activities;	The Board approves all policies related to market risk, sets limit and reviews compliance on a regular basis. The objective is to provide cost effective funding last year to finance asset growth and trade related transaction.
b)	Methods used to measure Market Risk;	Standardized (rule based) approach is used to measure the market risk of the Bank whereas for interest rate risk and equity risk both General and specific risk factors are applied for calculating capital charge and for foreign exchange and commodities only general risk factor is applied.
c)	Market Risk Management system;	The duties of managing the market risk including liquidity, interest rate and foreign exchange risk lies with the Treasury Division under the supervision of ALCO committee. The ALCO committee is comprised of senior executives of the Bank, who meets at least once in a month. The committee evaluates the current position of the bank and gives direction to mitigate the market risk exposure to a minimum level.
d)	Policies and processes for mitigating market risk;	There are approved limits for Market risk related instruments both on-balance sheet and off-balance sheet items. The limits are monitored and enforced on a regular basis to protect against market risk. The exchange rate committee of the Bank meets on a daily basis to review the prevailing market condition, exchange rate, forex position and transactions to mitigate foreign exchange risks.

Quantitative Disclosures

Capital Charges for Market Risk	BDT in Crore
Interest Rate Related instruments	0.50
Equities	244.82
Foreign Exchange Position	50.40
Commodities	0.00
Total	**295.73**

8.00 Operational Risk:

Qualitative Disclosures		
Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Recognizing the importance of information technology in banking business, the Bank has considered information technology risk as an independent risk.		
a)	Views of Board of Directors on system to reduce Operational Risk;	The policy for operational risks including internal control and compliance risk is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division to protect against all operational risks. As a part of continuous surveillance, the management committee (MANCOM), Risk Management Division regularly reviews different aspects of operational risk. The analytical assessment was reported to the Board/ Risk Management Committee/Audit Committee of the Bank for review and formulating appropriate policies, tools & techniques for mitigating operational risk.
b)	Performance gap of executives and staffs;	The Bank identifies the loop holes among the effectiveness of the employees and executives, these loop holes are removed by arranging appropriate training programs, offering competitive packages and providing best working environment. In this process, the Bank kept the performance gap of executives and staffs to a minimum level.

Qualitative Disclosures		
c)	Potential external event;	No potential external event is expected to expose the Bank to significant operational risk. The Bank has a separate Operational Risk Policy addressing specific issues involving Operational Risk.
d)	Policies and processes for mitigating operational risk;	Operational Risk is inherent in every business organization and covers a wide spectrum of issues. In order to mitigate this, internal control and internal audit systems are used as the primary means. The NCC Bank Limited manages this risk through a control based environment in which processes are documented, authorization is independent and transactions are reconciled and monitored. This is supported by an independent program of periodic reviews undertaken by internal audit, and by monitoring external operational risk events, which ensure that the bank stays in line with industry best practice and takes account of lessons learned from publicized operational failures within the financial services industry. NCC Bank Limited has operational risk management process which explains how the bank manages its operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with Bangladesh Bank's requirements. Operational risk management responsibility is assigned to different level of management within the business operation. Information systems are used to record the identification and assessment of operational risks and to generate appropriate regular management reporting. Risk assessment incorporates a regular review of identified risks to monitor significant changes.
e)	Approach for calculating capital charge for operational risk;	Basic Indicator Approach is used to measure Operational Risk where capital charge is 15% on last three years average positive gross income of the Bank.

Quantitative Disclosures

Capital Charges for Operational Risk

BDT in Crore

Basis	Operational Risk	2014	2015	2016	Capital Charge
Solo	Gross Income	723.19	784.85	855.32	118.17
Consolidated	Gross Income	789.33	881.34	953.71	131.22

9.00 Leverage Ratio:

Qualitative Disclosures		
a)	Views of Board of Directors on system to reduce Liquidity Risk;	The Leverage Ratio is a non-risk based measure introduced to monitor and build-up of leverage on credit institutions balance sheets aiming at containing the cyclicality of lending. It is calibrated to act as a credible supplementary measure to the risk based capital requirements. The leverage ratio is calculated by dividing Tier 1 capital by assets (both on and off-balance sheet items). The policy for Leverage Ratio including off and on balance sheet exposure and capital related policy. The Bank has a well structured delegation and sub-delegation of credit approval authority for ensuring good governance and better control in credit approval system. The Board of Directors and its Executive Committee hold the supreme authority for any credit approval in line with the credit committee consisting of the senior management of the bank.
b)	Policies and processes for managing excessive on and off-balance sheet leverage;	NCC Bank Limited has policies and processes in place for the identification, management and monitoring of the risk of excessive leverage. NCCBL maintains the leverage ratio above the regulatory limit as a part of the Bank's risk appetite framework.
c)	Approach for calculating exposure;	In order to measure the exposure consistently with financial accounts, the following approaches are applied by the bank: I) On-balance sheet, non-derivative exposures are net of specific provisions and valuation adjustments (e.g. surplus/deficit on Available for Sale (AFS)/ Held-for-trading (HFT) positions).

		II) Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure. III) Netting of loans and deposits is not allowed A minimum Tier-1 leverage ratio of 3% is being prescribed by Bangladesh Bank both at solo and consolidated basis. The Bank maintains leverage ratio on quarterly basis. The status of leverage ratio at the end of each calendar quarter is submitted to Bangladesh Bank showing the average of the month based on capital and total exposure. The formula of Leverage Ratio is as under: $\text{Leverage Ratio} = \frac{\text{Tire-1 Capital after related deductions}}{\text{Total Exposure after related deductions}}$

Quantitative Disclosures

BDT in Crore

Particulars	Solo Basis	Consolidated Basis
Tier 1 Capital*	**1,651.60**	**1,654.50**
On Balance Sheet Exposure*	**15,929.09**	**16,211.09**
Off-Balance Sheet Exposure*	**2,854.39**	**2,854.39**
Total Exposure	**18,783.48**	**19,065.48**
Leverage Ratio	**8.37%**	**8.33%**
***Considering all regulatory adjustments**		

10.00 Liquidity Ratio:

Qualitative Disclosures		
a)	Views of BOD on system to reduce liquidity Risk;	As per the BRPD Circular no. 18 dated 21 December 2014, Bangladesh Bank has strengthened the liquidity framework by developing two minimum standards for funding liquidity. These standards have been developed to achieve two separate but complementary objectives. The first objective is to promote short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient high quality liquid resources to survive an acute stress scenario lasting for one month. Liquidity Coverage Ratio (LCR) addresses this Objective. The second objective is to promote resilience over a longer time horizon by creating additional incentives for a bank to fund its activities with more stable sources of funding on an ongoing structural basis. The Net Stable Funding Ratio (NSFR) has a time horizon of one year and has been developed to provide a sustainable maturity structure of assets and liabilities.
b)	Methods used to measure Liquidity Risk;	Liquidity measurement involves assessing all of a bank's cash inflows against its outflows to identify the potential for any net shortfalls including funding requirements for off-balance sheet commitments. An important aspect of measuring liquidity is making assumptions about future funding needs, both in the very short-term and for long time periods. Another important factor is the ability to access funds readily and at reasonable terms. Several key liquidity risk indicators monitored on a regular basis to ensure healthy liquidity position are as follows: • Cash Reserve Ratio (CRR) • Statutory Liquidity Requirement (SLR) • Credit Deposit Ratio (CDR) • Liquidity Coverage Ratio (LCR) • Net Stable Funding Ratio (NSFR) • Structural Liquidity Profile (SLP) • Maximum Cumulative Outflow (MCO) • Medium Term Funding Ratio (MTFR) • Liquid Asset to Total Deposit Ratio (LATDR) • Liquid Asset to Short Term Liabilities (LASTL) etc.

Qualitative Disclosures		
c)	Liquidity Risk management system;	National Credit and Commerce Bank Limited maintains diversified and stable funding base comprising of core retail, corporate and institutional deposits to manage liquidity risk. The prime responsibility of the liquidity risk management of the Bank lies with Treasury Division under the supervision of ALCO, which maintains liquidity based on current liquidity position, anticipated future funding requirement, sources of fund, options for reducing funding needs, present and anticipated asset quality, present and future earning capacity, present and planned capital position etc. The intensity and sophistication of liquidity risk management process depend on the nature, size and complexity of a bank's activities. Sound liquidity risk management employed in measuring, monitoring and controlling liquidity risk is critical to the viability of the bank. The Asset Liability Committee (ALCO), which meets at least once in a month, is responsible for managing and controlling liquidity of the Bank. Treasury front office closely monitors and controls liquidity requirements on daily basis by appropriate coordination of funding activities and they are primarily responsible for management of liquidity in the Bank. A monthly projection of fund flows is reviewed in ALCO meeting regularly.
d)	Policies and processes for mitigating Liquidity Risk;	In order to develop a comprehensive liquidity risk management framework, the Bank has a Board approved Contingency Funding Plan (CFP). A set of policies and procedures that serves as a blueprint for the Bank to meet its funding needs in a timely manner and at a reasonable cost. In this sense, a Contingency Funding Plan (CFP) is an extension of ongoing liquidity management and formalizes the objectives of liquidity management by ensuring: A. Maintenance of a reasonable amount of liquid assets; B. Measurement and projection of funding requirements and C. Management of access to funding sources. CFP also provides directions for plausible actions in distress and emergency situations. In case of a sudden liquidity stress, it is important for the Bank to be seemed organized and efficient to meet its obligations to the stakeholders. Maturity ladder of cash inflows and outflows are effective tool to determine a bank's cash position. A maturity ladder estimates a banks cash inflows and outflows and thus net deficit or surplus (GAP) on a day to day basis and different buckets (e.g. 2-7 days, 1 month, 1-3 months, 3-12 months, 1-5 years and over 5 years).

Quantitative Disclosures		
a)	Liquidity Coverage Ratio (LCR)	Liquidity Coverage Ratio (LCR) is a new liquidity standard built on the methodologies of traditional liquidity coverage ratio used by banks to assess exposure to contingent liquidity events. LCR aims to ensure that a bank maintains an adequate level of unencumbered, high-quality liquid assets that can be converted into cash to meet its liquidity needs for 30 calendar days. $$LCR = \frac{\text{Stock of high quality liquied assets}}{\text{Total net cash outflows over the next 30 calender days}}$$ The minimum standard for LCR is greater than or equal to 100. However, the bank's status as on 31 December 2016 in this ratio is as follows:

BDT in Crore

Particulars	Regulatory Standard	31 December 2016
Total stock of high quality liquid assets	Greater than or equal to 100	3,136.33
Total net cash outflows over the next 30 calendar days		42.89
Liquidity Coverage Ratio (LCR)		117.49%

Qualitative Disclosures		
b)	Net Stable Funding Ratio (NSFR)	Net Stable Funding Ratio (NSFR) is another new liquidity standard introduced by the Basel Committee. The NSFR aims to limit over-reliance on short-term wholesale funding during times of abundant market liquidity and encourage better assessment of liquidity risk across all on and off-balance sheet items. The minimum acceptable value of this ratio is 100 percent, indicating that Available Stable Funding (ASF) should be at least equal to Required Stable Funding (RSF). ASF consists of various kinds of liabilities and capital with percentage weights attached given their perceived stability. RSF consists of assets and off-balance sheet items, also with percentage weights attached given the degree to which they are illiquid or long-term and therefore require stable funding. The time horizon of the NSFR is one year, like the LCA, the NSFR calculations assume a stressed environment. The status of Net Stable Funding Ratio (NSFR) as on 31 December 2016 is as under:

Particulars	Regulatory Standard	31 December 2016
Available amount of stable funding (ASF)	**Greater than 100**	13,820.89
Required amount of stable funding (RSF)		13,441.21
Net Stable Funding Ratio (NSFR)		102.82%

11.00 Liquidity Ratio:

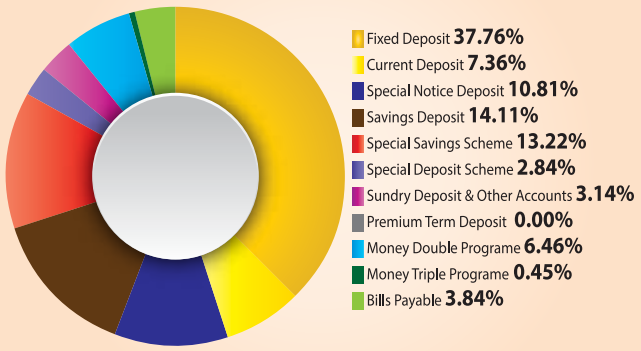
Qualitative Disclosures		
a)	Information relating to the bodies that oversee remuneration;	Managing Director, MANCOM & Head of Human Resources Division govern the remuneration related policies and practices in alignment of the Bank's short & long term objectives. They plays an independent role, operating as an overseer; and if required, makes recommendation to the Board of Directors of the Bank for its consideration and final approval for any remuneration related policy. The main work includes presenting recommendations to the Board regarding remuneration, compensation packages of senior management, incentive schemes and retirement benefits. They also assist the Board of Directors to ensure that all employees are remunerated fairly and get performance based compensation by ensuring effective remuneration policy, procedures and practices aligned with the Banks' strategy and applied consistency for all employee levels.
b)	Information relating to the design and structure of remuneration processes;	NCCBL has a flexible compensation and benefits system that helps to ensure pay equity is linked with performance that is understood by employees, and keeps in touch with employee desires and what's converted in the market, while maintaining a balance with the business affordability. The compensation and benefits are regularly reviewed through market and peer group study. The well-crafted total rewards help the Bank to attract, motivate and retain talent that produces desired business results. The structure and level of remuneration are reviewed time to time based on Bank's business performance and affordability. Other than the regular monthly payments and a good number of allowances, NCCBL has variety of market-competitive benefits schemes. The various cash and non-cash benefits include; Bank provided chauffeured car facility for top level executives, car maintenance allowance, leave fare assistance, employee car loan facility, house building loan facility, festival bonus etc. NCCBL also provides long term as well as retirement benefits to employees, like leave encashment, provident fund, benefit under gratuity & superannuation fund etc. The overall objective of the Bank's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits.

Qualitative Disclosures		
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes;	The business risk including credit/default risk, compliance & reputational risk are mostly considered when implementing the remuneration measures for each employee/group of employee. Financial and liquidity risk are also considered. Different set of measures are in practice based on the nature & type of business lines/segments etc. These measures are primarily focused on the business target/goals set for each area of operation, branch vis-à-vis the actual results achieved as of the reporting date. The most vital tools & indicators used for measuring the risks are the asset quality (NPL ratio), Net Interest Margin (NIM), provision coverage ratio, credit deposit ratio, cost-income ratio, growth of net profit, as well the non-financial indicators, namely, the compliance status with the regulatory norms, instructions has been brought to all concerned of the Bank from time to time. While evaluating the performance of each employee annually, all the financial and non-financial indicators as per pre-determined set criteria are considered; and accordingly the result of the performance varies from one to another and thus affect the remuneration as well. No material change has been made during the year 2015 that could the affect the remuneration.
d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration;	The Board sets the Key Performance Indicators (KPIs) for the senior management while approving the business target/budget for each year for the Bank and business lines/segments. The management sets the appropriate tools, techniques and strategic planning (with due concurrence/approval of the Board) towards achieving those targets. The most common KPIs are the achievement of loan, deposit and profit target with the threshold of NPL ratio, cost-income ratio, cost of fund, yield on loans, provision coverage ratio, capital to risk weighted asset ratio (CRAR), ROE, ROA, liquidity position (maintenance of CRR and SLR) etc.
e)	Description of the ways in which the bank seek to adjust remuneration to take account of longer-term performance;	The Bank pays variable remuneration i.e. annual increment based on the yearly performance rating on cash basis with the monthly pay. While the value of longer term variable part of remuneration i.e. the amount of Provident Fund, Gratuity Fund, Superannuation Fund are made provision on aggregate /individual employee basis; actual payment is made upon retirement, resignation etc. as the case may be, as per rule.
f)	Description of the different forms of variable remuneration that the bank utilizes and the rationale for using these different forms;	**A summary of Short-term and Long-term compensation plan are as follows:** Total Compensation = Fixed Pay (Salary) + Variable Pay (Bonus) + Variable Pay (Long term incentive). **Form of variable remuneration offered by NCC Bank:** **Cash Form:** **Short-Term Incentive/Rewards** 1.Yearly fixed and incentive bonus; 2.Yearly increment; 3.Business accomplishment financial award; 4.Car fuel and car maintenance allowance for executives; 5.Cash risk allowance for cashier; 6.Charge allowance for branch manager. **Long-Term Incentive/Rewards** 1.Provident fund; 2.Gratuity; 3.Superannuation fund; 4.Employee house building loan with minimum interest rate; 5.Provident fund loan with minimum interest rate; 6.Periodically salary review (enhancement) 7.Furniture allowance for executives; **Non-Cash Form:** **Short-Term Incentives/Rewards** 1. Accelerate promotion for top talents; **Long-Term Incentives/Rewards** 1. Foreign training award;

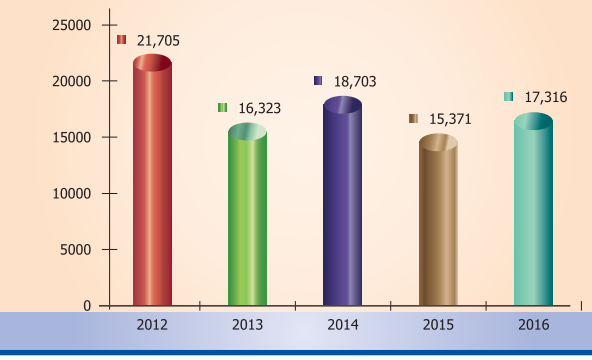
<table>
<tr><th colspan="3">Quantitative Disclosures</th></tr>
<tr><td>g)</td><td>Number of meetings held by the main body overseeing remuneration during the financial year and remuneration paid to its member;</td><td>Meeting regarding overseeing the remuneration was held on need basis. No additional remuneration was paid for such meeting.</td></tr>
<tr><td rowspan="4">h)</td><td>i) Number of employees having received a variable remuneration award during the financial year;</td><td>Number of employees having received a variable remuneration award during the year 2016 was 1,090.</td></tr>
<tr><td>ii) Number and total amount of guaranteed bonuses awarded during the financial year;</td><td>Nil</td></tr>
<tr><td>iii) Number and total amount of sign-on awards made during the financial year;</td><td>Nil</td></tr>
<tr><td>iv) Number and total amount of severance payments made during the financial year;</td><td>Details of severance payments during the year 2016 are appended below:
<table>
<tr><th>Type of Severance Payment</th><th>Nos. of employee</th><th>BDT in crore</th></tr>
<tr><td>Leave encashment</td><td>69</td><td>0.63</td></tr>
<tr><td>Superannuation fund</td><td>62</td><td>1.11</td></tr>
</table></td></tr>
<tr><td>i)</td><td>i)Total amount of outstanding deferred remuneration, split into cash, shares and share- linked instruments and other forms;</td><td>Nil</td></tr>
<tr><td></td><td>ii) Total amount of deferred remuneration paid out in the financial year;</td><td>Amount of deferred remuneration paid during the year: Tk. 5.62 crore.</td></tr>
<tr><td>j)</td><td>Breakdown of amount of remuneration awards for the financial year to show:</td><td>Fixed and variable remuneration paid in 2016 are as follows:
<table>
<tr><th>Particulars</th><th>BDT in crore</th></tr>
<tr><td>Basic salary</td><td>83.34</td></tr>
<tr><td>Allowances</td><td>60.05</td></tr>
<tr><td>Festival bonus</td><td>13.25</td></tr>
<tr><td>Gratuity</td><td>5.62</td></tr>
<tr><td>Provident fund contribution</td><td>7.18</td></tr>
<tr><td>Incentive bonus</td><td>17.28</td></tr>
<tr><td>Total</td><td>186.72</td></tr>
</table>
Deferred and non-deferred:
Deferred paid during the year 2016: Tk. 5.62 crore.
Non-deferred paid during the year 2016: Nil
Different forms used (cash, shares and share linked instruments, other forms):
All the remunerations are provided in the form of cash.</td></tr>
<tr><td>k)</td><td colspan="2">Quantitative information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. claw backs or similar reversals or downward revaluations of awards) of deferred remuneration and retained remuneration</td></tr>
<tr><td></td><td>i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments;</td><td>Nil</td></tr>
<tr><td></td><td>ii) Total amount of reductions during the financial year due to ex post explicit adjustments;</td><td>Nil</td></tr>
<tr><td></td><td>iii)Total amount of reductions during the financial year due to ex post implicit adjustments;</td><td>Nil</td></tr>
</table>

GRAPHICAL PRESENTATION

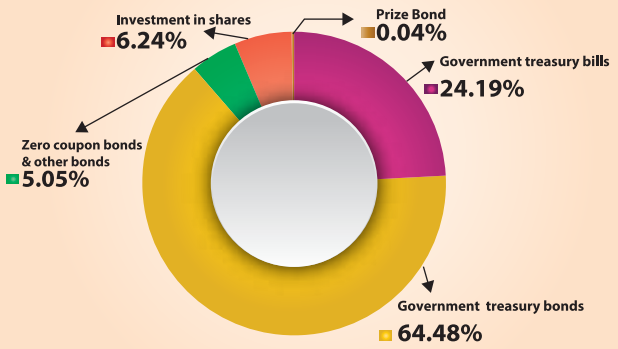
Sectoral Distribution of Deposits-2016



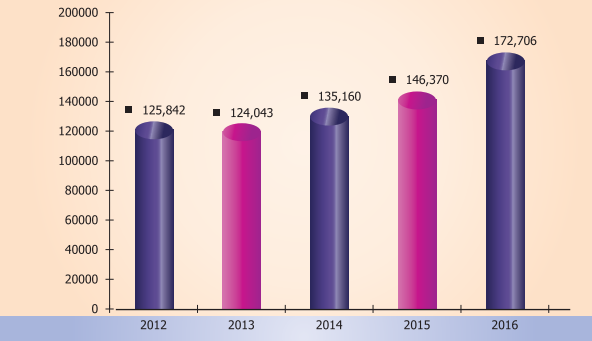
Remittance (2012-2016)
(Figure in Million)



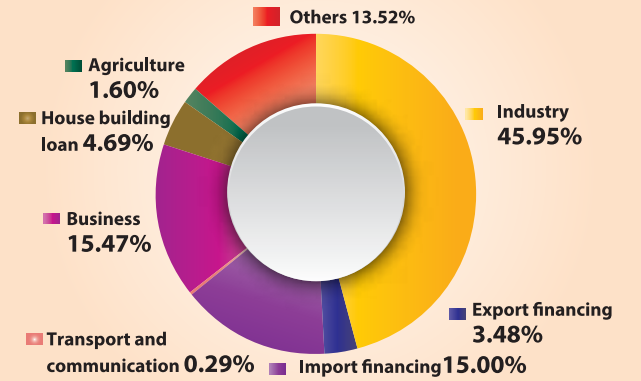
Distribution of Investment Portfolio-2016



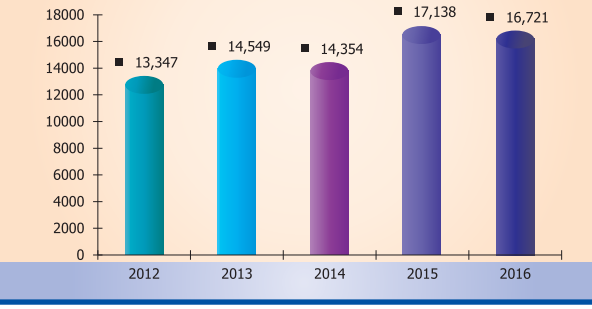
Total Assets (2012-2016)
(Figure in Million)



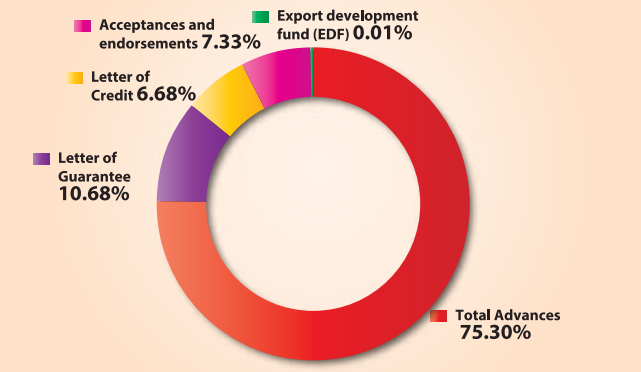
Sectoral Distribution of Advances-2016



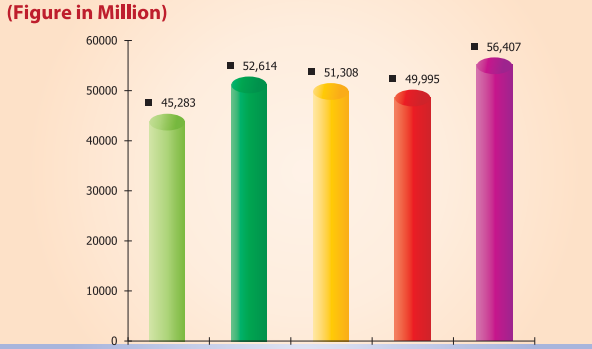
Export (2012-2016)
(Figure in Million)



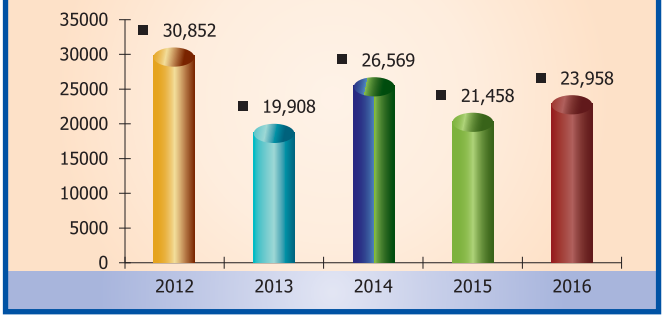
Funded and Contingent Assets-2016



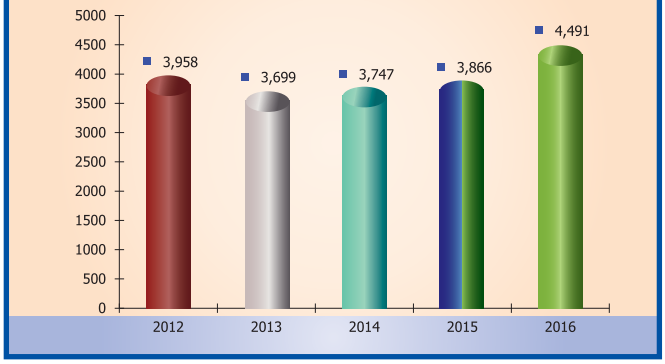
Import (2012-2016)
(Figure in Million)



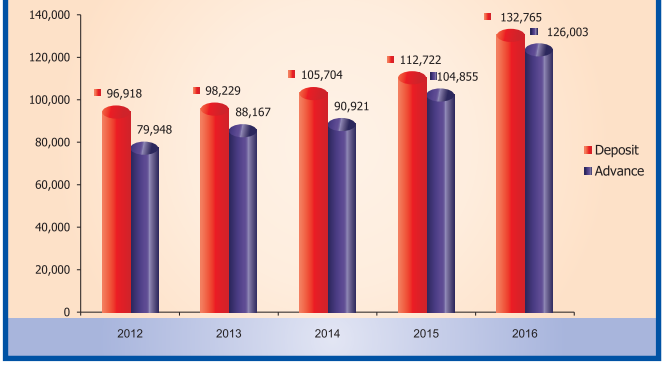
Investment (2012-2016)
(Figure in Million)



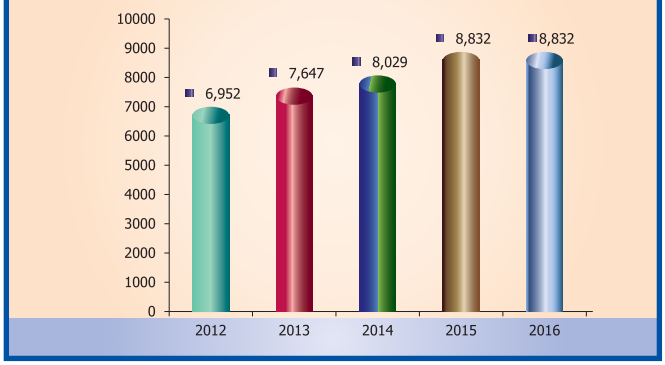
Operational Profit (2012-2016)
(Figure in Million)



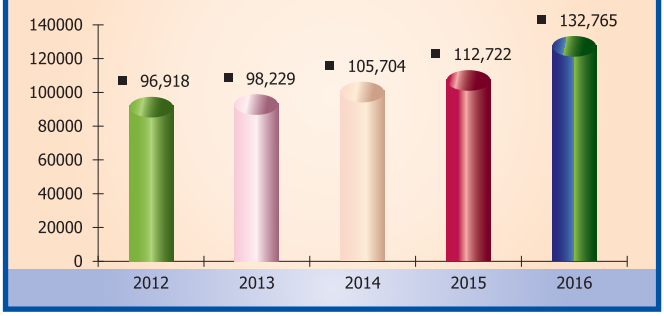
Deposit & Advance (2012-2016)
(Figure in Million)



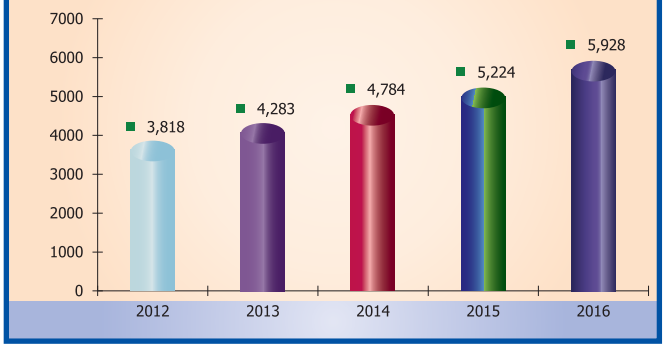
Paid-up capital (2012-2016)
(Figure in Million)



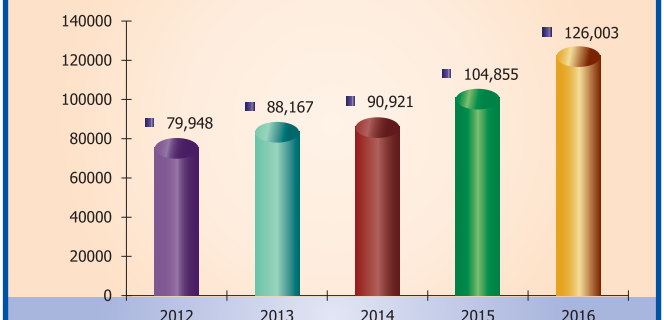
Deposit (2012-2016)
(Figure in Million)



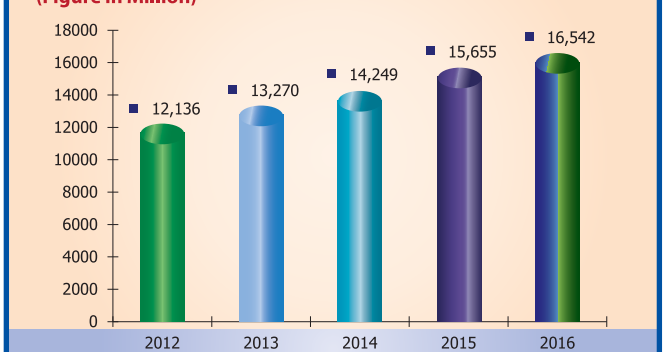
Statutory Reserve (2012-2016)
(Figure in Million)



Loans & Advances (2012-2016)
(Figure in Million)



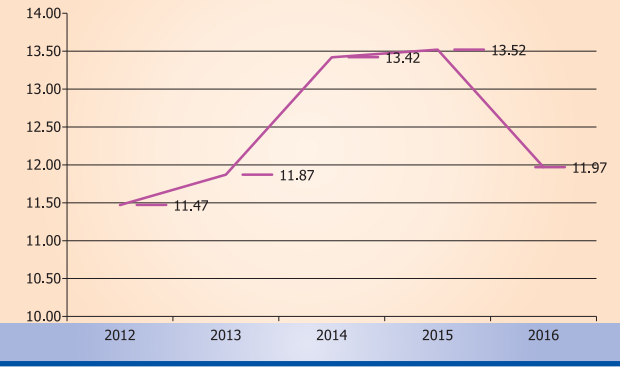
Shareholders Equity (2012-2016)
(Figure in Million)



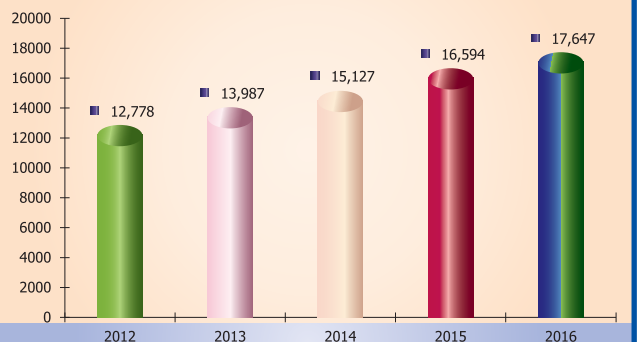
Dividend per Share (2012-2016)



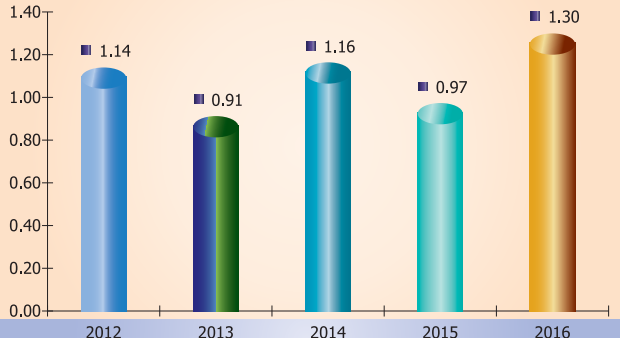
Capital Adequacy Ratio (2012-2016) (%)



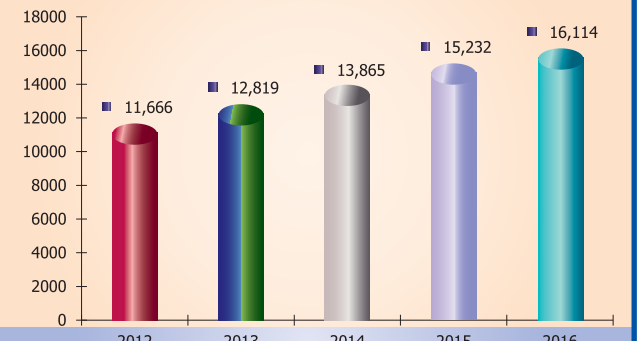
Total Capital (2012-2016) (Figure in Million)



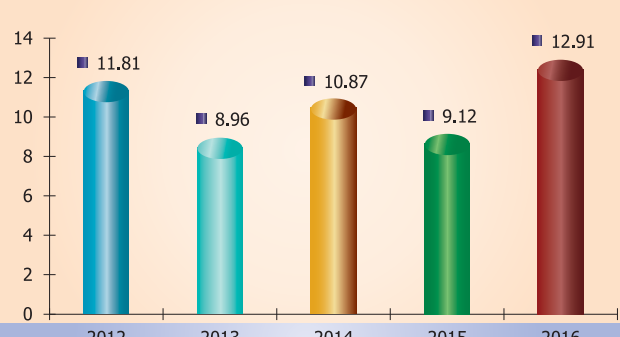
% of Return on Assets (2012-2016)



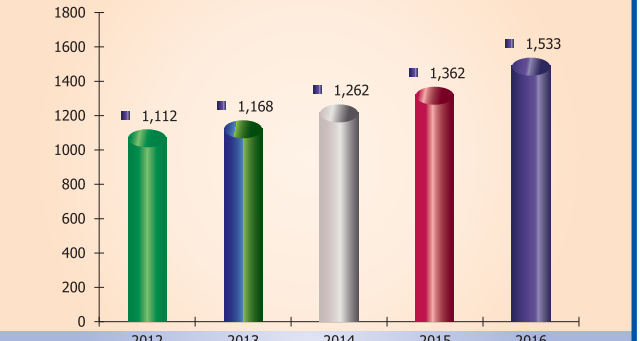
Tier-1 Capital (2012-2016) (Figure in Million)



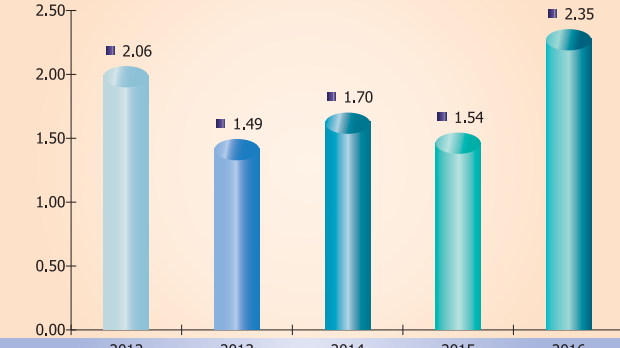
% of Return on Equity (2012-2016)



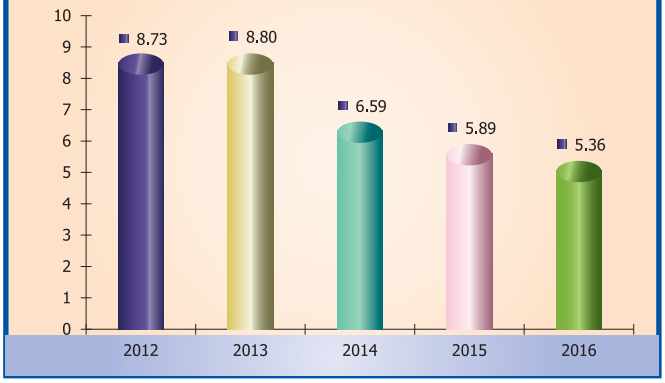
Tier-2 Capital (2012-2016) (Figure in Million)



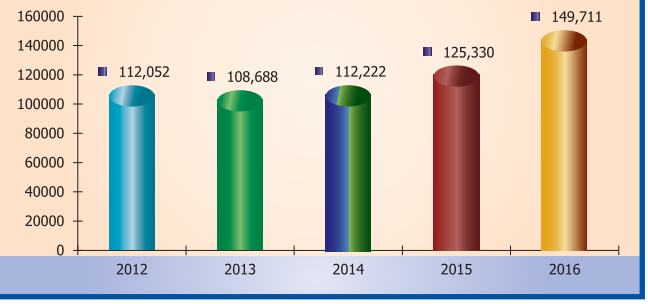
Earnings per share (2012-2016)



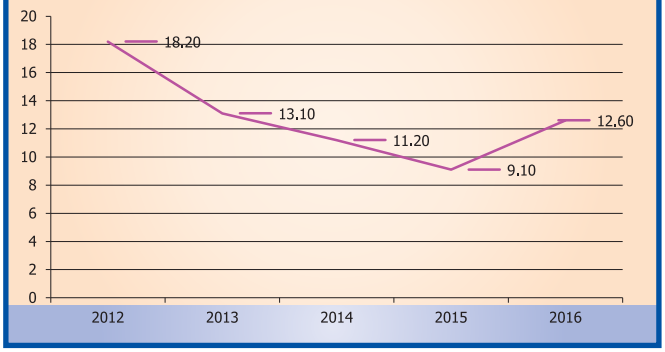
Price Earnings Ratio (2012-2016)
(In Times)



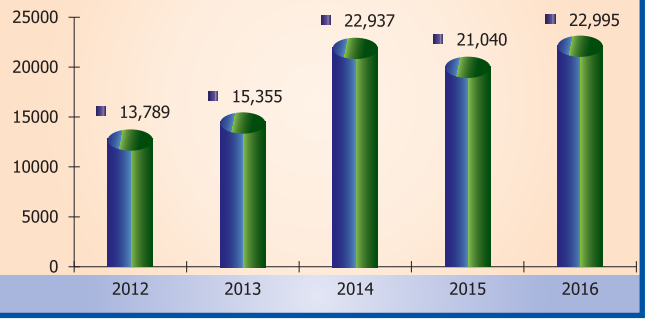
Interest Earning Assets (2012-2016)
(Figure in Million)



Market Value Per Share (2012-2016)



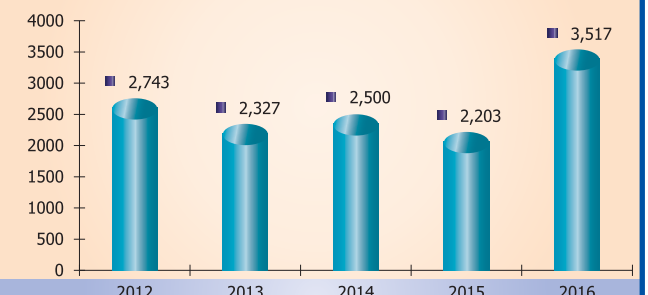
Non-interest Earning Assets (2012-2016)
(Figure in Million)



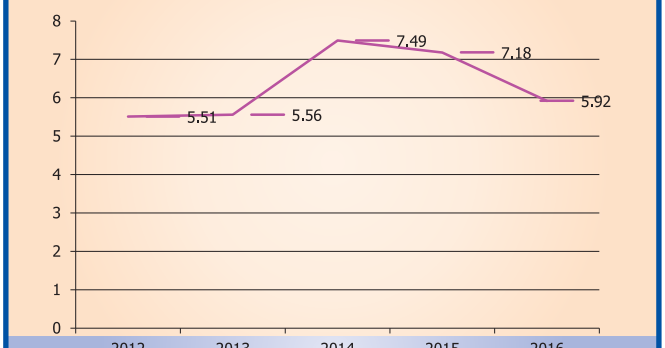
Net Asset Value (NAV) Per Share (2012-2016)



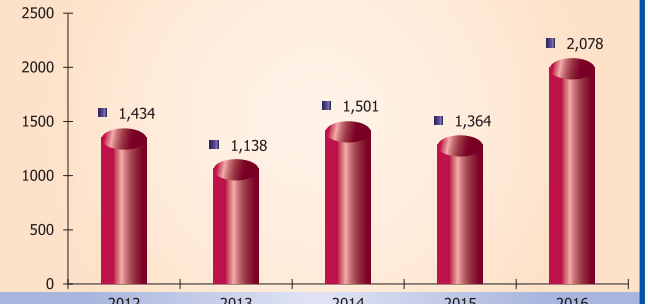
Profit before tax (2012-2016)
(Figure in Million)



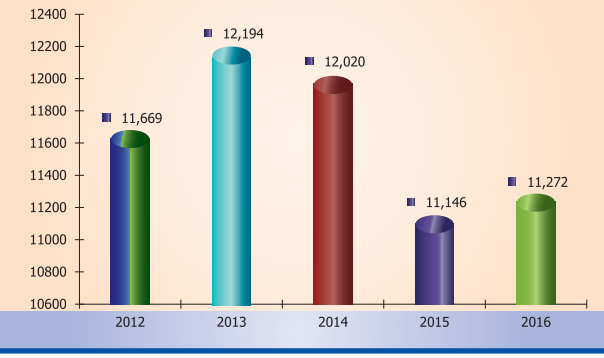
NPL Ratio (2012-2016) (%)



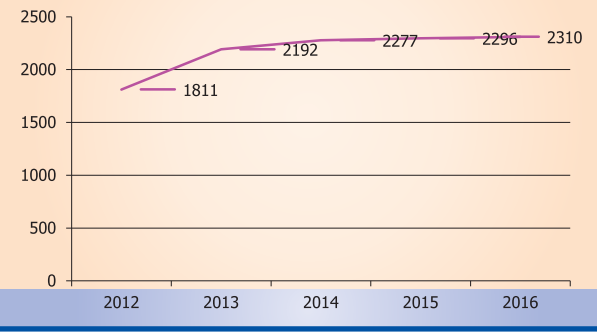
Net Profit after tax (2012-2016)
(Figure in Million)



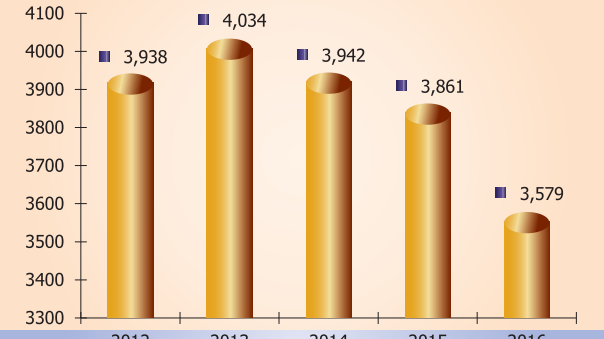
Interest Income (2012-2016)
(Figure in Million)



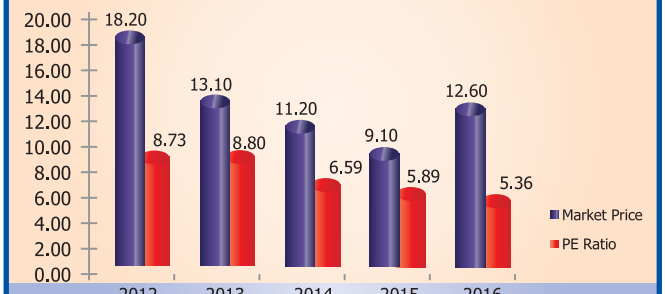
Number of Employees (2012-2016)



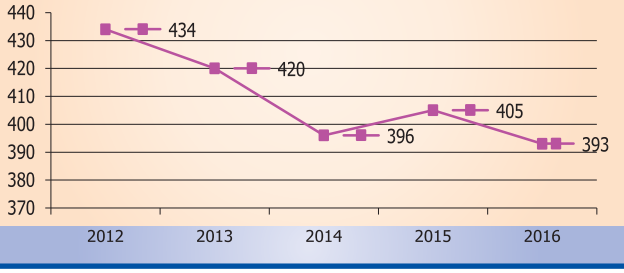
Non-Interest Income (2012-2016)
(Figure in Million)



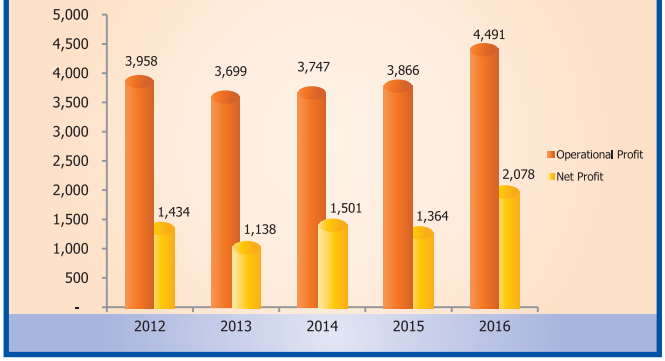
Market Value Per Share (in BDT) & PE Ratio (in Times) (2012-2016)



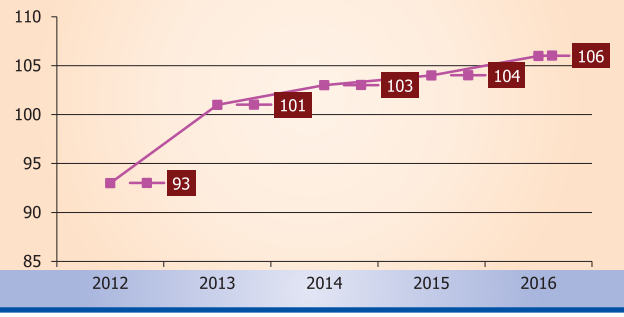
Number of Foreign Correspondents (2012-2016)



Operational Profit & Net Profit (2012-2016)
(Figure in Million)



Number of Branches (2012-2016)



CERTIFICATE OF COMPLIANCE TO THE SHAREHOLDERS OF NATIONAL CREDIT AND COMMERCE BANK LIMITED AND ITS SUBSIDIARIES (AS REQUIRED UNDER THE BSEC GUIDELINES)

We have examined compliance to the BSEC Guidelines on Corporate Governance Guidelines by National Credit and Commerce Bank Limited and its Subsidiaries for the year ended 31 December 2016. These guidelines relate to the notification # SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012 and subsequently amended through the notification # SEC/CMRRCD/2006-158/147/Admin/48 dated 21 July 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance under section 2CC of the Securities and Exchange Ordinance, 1969.

Such compliance to the codes of Corporate Governance is the responsibility of the Bank's management. Our examination was limited to the procedures and implementation thereof as adopted by the bank and its subsidiaries in ensuring the compliance to the conditions of Corporate Governance Guidelines. This is a scrutiny and verification only and not an expression of opinion on the financial statements of the bank and its subsidiaries.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that, subject to the remarks and observations as reported in the attached Compliance Statements, the bank and its subsidiaries have complied with the conditions of Corporate Governance Guidelines as stipulated in the above-mentioned guidelines issued by the BSEC.

We also state that such compliance is neither an assurance as to the future viability of the bank and its subsidiaries, nor a certification on the efficiency or effectiveness with which the management has conducted the affairs of the bank and its subsidiaries. This is also no endorsement about quality of contents in the Annual Report of the bank.

MABS & J Partners
Chartered Accountants

Dhaka, 04 May 2017

COMPLIANCE REPORT ON BSEC's NOTIFICATION

Statement of the Attendance of the Board of Directors during the year 2016

SL No.	Name of the Hon'ble Directors	Position	Meetings held	Attended	No. of Absence	Remarks
1	Mr. Abdus Salam	Chairman	22	22	0	All meetings attended
2	Mr. A.S.M. Main Uddin Monem	Vice Chairman	22	11	11	11 (eleven) Leave of Absence Granted
3	Mr. Md. Abdul Awal	Director	22	22	0	All meetings attended
4	Mr. Amjadul Ferdous Chowdhury	Director	22	14	8	08 (eight) Leave of Absence Granted
5	Mr. S. M. Abu Mohsin	Director	22	22	0	All meetings attended
6	Mr. Yakub Ali	Director	22	17	5	05 (five) Leave of Absence Granted
7	Alhaj Md. Nurun Newaz	Director	22	22	0	All meetings attended
8	Mrs. Sohela Hossain	Director	22	17	5	05 (five) Leave of Absence Granted
9	Mr. Md. Abul Bashar	Director	22	16	6	06 (six) Leave of Absence Granted
10	Mr. Md. Harunur Rashid	Director	22	22	0	All meetings attended
11	Mr. Khairul Alam Chaklader	Director	22	21	1	01 (one) Leave of Absence Granted
12	Mr. Md. Moinuddin	Director	22	4	18	18 (eighteen) Leave of Absence Granted
13	Mr. Md. Amirul Islam, FCS, FCA	Independent Director	22	22	0	All meetings attended
14	Mr. K. A. M. Haroon	Independent Director	22	21	1	01 (one) Leave of Absence Granted

The pattern of shareholding of NCC Bank Limited as on 31.12.2016 as per BSEC's Notification No. BSEC/CMRRC-D/2006-158/134/Admin/44 dated August 07, 2012:

a) Shareholding by Parent/Subsidiary/Associated Companies and other related parties: Nil

b.i) Shareholding by Directors:

SL. No.	Name	Designation	No. of Shares	(%) of Shares as on 31.12.2016
1.	Mr. Abdus Salam	Chairman	18557753	2.10
2.	Mr. A.S.M. Mainuddin Monem	Vice Chairman	17669257	2.00
3.	Mr. Md. Abdul Awal	Director	18566625	2.10
4.	Mr. Amjadul Ferdous Chowdhury	Director	17680444	2.00
5	Mr. S.M. Abu Mohsin	Director	17789128	2.01
6.	Mr. Yakub Ali	Director	17666512	2.00
7.	Alhaj Md. Nurun Newaz	Director	18043901	2.04
8.	Mrs. Sohela Hossain	Director	17715472	2.01
9.	Mr. Md. Abul Bashar	Director	18568275	2.10
10.	Mr. Md. Harunur Rashid	Director	20016314	2.27
11.	Mr. Khairul Alam Chaklader	Director	33172058	3.75
12.	Mr. Md. Moinuddin	Director	23007683	2.60
13.	Mr. Md. Amirul Islam	Indepandent Director	Nill	Nill
14.	Mr. K.A.M. Haroon	Indepandent Director	Nill	Nill
	Total		**238453422**	**27.00**

ii) Shareholding by Managing Director & CEO : Nil
iii) Shareholding by Company Secretary (c.c.) : Nil
iv) Shareholding by Chief Financial Officer : Nil
v) Shareholding by Head of Internal Control & Compliance : Nil
vi) Shareholding by Spouses of above Executives : Nil

c) Shareholding by Executives : as on 31.12.2016

i) Mr. Mosleh Uddin Ahmed, AMD : Nil
ii) Mr. Fazlur Rahman, DMD : Nil
iii) Mr. Abu Zafore Md. Saleh, DMD : Nil
iv) Mr. Md. Habibur Rahman, DMD : Nil
v) Mr. Ishtiaque Ahmed, SEVP : Nil
vi) Mr. Mukthar Ahmed, SEVP : Nil
vii) Mr. A.B.M. Abdullah, SEVP : Nil
viii) Mr. Zalal Uddin Chowdhury, SEVP : Nil
ix) Engr. Shamsur Rahman Chowdhury, SEVP : Nil
x) Spouses and minor Children's of above Executives : Nil

d) Shareholders holding ten percent (10%) of shares : Nil

Report of the Managing Director & CEO and the Chief Financial Officer (CFO)

We have reviewed accompanying consolidated financial statements of NCC Bank Limited and its subsidiaries (the "Group") as well as the financial statements of NCC Bank Limited ("the Bank") which comprise the consolidated and the separate balance sheet as at 31 December 2016, profit and loss account, statement of changes in equity, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

These financial statements have been prepared and presented fairly in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), The " First Schedule" section 38 of the Bank Companies Act 1991, as amended by the BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, the Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka and Chittagong Stock Exchanges listing regulations and other laws and rules applicable in Bangladesh.

The Bank has taken proper and sufficient care in installing a system of internal control, which is reviewed, evaluated and updated on an ongoing basis. The Internal Control & Compliance Department of the Bank conducts periodic audits to provide reasonable assurance that the established policies and procedures of the bank were consistently followed.

Based on the internal control system of the bank and our review of these financial statements, we certify that to the best of our knowledge and belief:

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards and applicable laws;

iii) no transactions entered into by the Bank during the year which are fraudulent, illegal or violation of the bank's code of conduct.

Chief Financial Officer

Managing Director & CEO

Dated, Dhaka
05 April 2017

Auditor's Report
TO THE SHAREHOLDERS OF NCC BANK LIMITED

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of NCC Bank Limited and its subsidiaries (the "Group") as well as the separate financial statements of NCC Bank Limited (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2016, and the consolidated and separate profit and loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that give a true and fair view in accordance with Bangladesh Financial Reporting Standards as explained in **note# 2.1** and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements of the Group and also separate financial statements of the Bank that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effective internal audit, internal control and risk management functions of the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements of the Group and also separate financial statements of the Bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2016, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards as explained in **note# 2.1**.

Report on Other Legal and Regulatory Requirements

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

(a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(b) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the Financial Statements and Internal Controls:

i) internal audit, internal control and risk management arrangements of the Group and the Bank, as disclosed in **note# 2.20** of the financial statements, appeared to be materially adequate;

ii) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Bank and its related entities other than matters disclosed in **note # 2.31** of these financial statements;

(c) financial statements of subsidiary, **NCCB Securities and Financial Services Limited**, of the Bank have been audited by Shafiq Mizan Rahman and Augustine, Chartered Accountants, financial statements of subsidiary, **NCCB Capital Limited (NCCBCL)**, of the Bank have been audited by Hoda Vasi Chowdhury & Co., Chartered Accountants, have been properly reflected in the consolidated financial statements;

(d) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;

(e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and separate profit and loss account of the Bank dealt with by the report are in agreement with the books of account;

(f) the expenditure incurred was for the purposes of the Bank's business;

(g) the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;

(h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;

(i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(j) the information and explanation required by us have been received and found satisfactory; and

(k) we have reviewed over 80% of the risk weighted assets of the Bank and we have spent around 4338 person hours for the audit of the books and accounts of the Bank.

Dhaka
10 April 2017

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ACNABIN
Chartered Accountants

NCC BANK LIMITED AND ITS SUBSIDIARIES

Consolidated Balance Sheet

As at 31 December 2016

Particulars	Note	31.12.2016 Taka	31.12.2015 Taka
PROPERTY AND ASSETS			
Cash	**5(a)**	**10,446,800,672**	**9,276,639,728**
In hand (including foreign currencies)		1,336,119,522	1,191,641,434
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		9,110,681,150	8,084,998,294
Balance with other banks and financial institutions	**6(a)**	**5,018,382,483**	**4,265,813,389**
In Bangladesh		4,647,055,434	3,995,548,240
Outside Bangladesh		371,327,049	270,265,149
Money at call and short notice	**7**	-	-
Investments	**8 (a)**	**24,015,508,717**	**21,525,654,873**
Government		21,253,372,092	20,035,094,753
Others		2,762,136,625	1,490,560,120
Loans and advances	**9(a)**	**129,070,067,579**	**107,971,500,888**
Loans, cash credits, overdrafts, etc.		124,660,761,120	104,891,779,279
Bills purchased & discounted		4,409,306,459	3,079,721,609
Fixed assets including premises, furnitures and fixtures	**10(a)**	**2,514,179,788**	**2,641,964,604**
Other assets	**11(a)**	**3,002,071,146**	**1,929,229,773**
Non-banking assets		-	-
TOTAL ASSETS		**174,067,010,385**	**147,610,803,254**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	**12 (a)**	**6,726,399,870**	**5,565,807,122**
Deposits and other accounts	**13 (a)**	**132,703,600,434**	**112,486,283,039**
Current deposits and other accounts		13,803,914,597	10,882,801,448
Bills payable		5,101,703,331	1,882,364,468
Savings bank deposits		18,732,883,987	15,519,149,153
Fixed deposits		50,135,024,925	45,151,188,780
Term deposits		44,930,073,594	39,050,779,190
Other liabilities	**14(a)**	**18,064,897,476**	**13,875,091,028**
TOTAL LIABILITIES		**157,494,897,780**	**131,927,181,189**
Shareholders' equity			
Paid up capital	**15.2**	8,832,180,030	8,832,180,030
Statutory reserve	**16**	5,927,548,654	5,224,066,591
General reserve	**17**	10,162,348	10,162,348
Non-controlling (Minority) interest	**15.8**	205	205
Other reserve including assets revaluation reserve	**18**	355,441,831	414,653,607
Foreign currency translation gain/(loss)	**19.3**	399,963	7,639,571
Surplus in profit and loss account	**19(a)**	1,446,379,574	1,194,919,713
TOTAL SHAREHOLDERS' EQUITY		**16,572,112,605**	**15,683,622,065**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**174,067,010,385**	**147,610,803,254**

Particulars	Note	31.12.2016 Taka	31.12.2015 Taka
OFF BALANCE SHEET ITEMS:			
Contingent liabilities			
Acceptances and endorsements	**20.1**	12,268,815,139	11,492,348,389
Letters of guarantee	**20.2**	17,877,420,213	13,769,401,350
Letters of credit issued	**20.3**	11,183,881,376	8,988,152,644
Bills for collection	**20.4**	10,160,692	183,043
Other commitments			
Claims against the bank not acknowledged as debt		-	-
Capital commitments		-	-
Export development fund (EDF)		-	2,852,700
TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES		**41,340,277,420**	**34,252,938,126**

These financial statements should be read in conjunction with the annexed notes from 1 to 43.

Chairman **Director** **Director** **Managing Director & CEO**

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka
10 April 2017

ACNABIN
Chartered Accountants

NCC BANK LIMITED AND ITS SUBSIDIARIES

Consolidated Profit and Loss Account

For the year ended 31 December 2016

	Note	2016 Taka	2015 Taka
Interest income	22(a)	11,244,103,827	11,115,978,216
Less: Interest paid on deposits and borrowings	23(a)	7,281,263,722	8,056,172,569
Net interest income		**3,962,840,105**	**3,059,805,647**
Income from investments	24(a)	2,029,937,779	2,679,153,709
Commission, exchange and brokerage	25(a)	1,249,842,333	891,019,632
Other operating income	26(a)	414,776,290	389,527,812
Total operating income		**7,657,396,507**	**7,019,506,800**
Salary and allowances	27(a)	1,898,693,725	1,887,493,481
Rent, taxes, insurance, electricity etc.	28(a)	344,144,675	323,320,453
Legal expenses	29(a)	17,052,825	21,429,011
Postage, stamp, telecommunication etc.	30(a)	30,262,852	28,232,188
Stationery, printing, advertisement etc.	31(a)	66,782,314	89,762,429
Chief Executive Officer's salary and allowances	32	9,000,000	9,000,000
Director's fees & other benefits	33(a)	4,188,500	4,245,354
Auditors' fees	34(a)	393,000	276,000
Charges on loan losses		9,965,679	-
Repairs,maintenance,amortization and depreciation of bank's assets	35(a)	486,388,264	493,247,476
Other expenses	36(a)	280,627,383	255,807,114
Total operating expenses		**3,147,499,217**	**3,112,813,506**
Profit before provision		**4,509,897,290**	**3,906,693,294**
Provision for loans and advances		949,116,748	1,570,771,018
Specific provision	14.5.1(a)	820,069,430	1,440,332,399
General provision	14.5.1(b)	129,047,318	130,438,619
Provision for off-balance sheet exposures	14.6	68,187,074	-
Provision for off-shore banking unit	14.7	13,203,697	7,481,573
Provision for investment fluctuation in shares	8.3(a)	(83,277,797)	74,644,446
Provision for other assets	14.2	(3,837,276)	3,426,147
Provision for nostro accounts	14.11	7,700,000	-
Total provision		**951,092,446**	**1,656,323,184**
Profit after provision for loans & advances and others items		**3,558,804,844**	**2,250,370,110**
Contribution to NCC Bank Foundation	14.9	25,000,000	25,000,000
Profit before tax		**3,533,804,844**	**2,225,370,110**
Provision for tax		**1,454,764,765**	**839,985,229**
Current tax	14.4	1,479,622,861	894,356,171
Deferred tax	14.4.1	(24,858,096)	(54,370,942)
Profit after tax for the year		**2,079,040,079**	**1,385,384,882**
Attributable to:			
Shareholders' of the bank		2,079,040,079	1,385,384,882
Non-controlling (Minority) interest		-	-
Balance of profit brought forward from last year	19.2	68,816,759	246,649,345
Total profit available for distribution		**2,147,856,838**	**1,632,034,227**
Appropriations:			
Statutory reserve		703,482,063	440,541,521
General reserve		-	-
		703,482,063	440,541,521
Retained earnings	19(a)	**1,444,374,775**	**1,191,492,706**
Earnings per share (EPS)	42(a)	**2.35**	**1.57**

These financial statements should be read in conjunction with the annexed notes from 1 to 43.

Chairman **Director** **Director** **Managing Director & CEO**

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka
10 April 2017

ACNABIN
Chartered Accountants

NCC BANK LIMITED AND ITS SUBSIDIARIES

Consolidated Cash flow statement

For the year ended 31 December 2016

	Note	2016 Taka	2015 Taka
A) Cash flows from operating activities			
Interest receipts in cash		13,223,761,300	13,557,609,731
Interest paid by cash		(4,985,730,989)	(6,798,120,272)
Dividend received		76,845,376	45,312,943
Fees & commission received in cash		706,493,732	683,096,569
Recoveries of loans previously written off		16,485,152	14,573,045
Cash paid to employees		(1,715,456,714)	(1,646,401,353)
Cash paid to suppliers		(143,851,366)	(156,953,347)
Income taxes paid		(1,043,383,516)	(626,515,636)
Received from other operating activities	37(a)	1,014,509,619	892,949,753
Paid for other operating activities	38(a)	(832,298,700)	(818,878,709)
Operating cash flow before changes in operating assets and liabilities		6,317,373,894	5,146,672,725
Increase/(Decrease) in operating assets & liabilities:			
Purchase & sale of trading securities		(1,275,694,614)	5,084,806,469
Loans and advances to customers (Other than banks)		(21,069,323,411)	(14,204,988,013)
Other assets	39(a)	(155,131,698)	(97,331,247)
Deposits and borrowings from other banks		1,194,986,245	(78,221,992)
Deposits from customers (Other than banks)		19,810,948,812	7,340,076,576
Other liabilities account of customers		(692,430,597)	(1,031,349,109)
Other liabilities	40 (a)	180,971,922	346,021,639
Net Cash receipts from operating activities		**4,311,700,553**	**2,505,687,048**
B) Cash flows from investing activities			
Proceeds from sale of securities		171,740,054	269,139,214
Payment for purchase of securities		(1,332,032,654)	(284,580,505)
Purchase of property, plant and equipment		(116,117,568)	(300,444,092)
Sales proceeds of fixed assets		892,742	12,704,892
Net cash used in investing activities		**(1,275,517,426)**	**(303,180,491)**
C) Cash flows from financing activities			
Borrowings from other bank's , financial institutions and agents		23,155,373	306,503,465
Dividend paid		(1,126,102,954)	-
Net cash receipts/(payments) from financing activities		**(1,102,947,581)**	**306,503,465**
D) Net (decrease)/ increase in cash (A+B+C)		**1,933,235,546**	**2,509,010,022**
E) Effects of exchange rate changes on cash and cash-equivalents		(7,239,608)	7,913,698
F) Cash and cash-equivalents at the beginning of the year		13,548,065,317	11,031,141,597
G) Cash and cash-equivalents at the end of the year (D+E+F)	41(a)	**15,474,061,254**	**13,548,065,317**

These financial statements should be read in conjunction with the annexed notes from 1 to 43.

Chairman **Director** **Director** **Managing Director & CEO**

NCC BANK LIMITED AND ITS SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the year ended 31 December 2016

Particulars	Paid up capital	Statutory reserve	General reserve	Other reserve including asset revaluation reserve	F.C. Translation gain/(loss)	Non-controlling (Minority) interest	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1st January 2016	**8,832,180,030**	**5,224,066,591**	**10,162,348**	**414,653,607**	**7,639,571**	**205**	**1,194,919,713**	**15,683,622,065**
Transferred from revaluation reserve against depreciation on revaluation of fixed assets	-	-	-	(2,004,799)	-	-	2,004,799	-
Revaluation of Govt. securities (treasury bills/bonds) HFT made during the year	-	-	-	(57,206,977)	-	-	-	(57,206,977)
Currency translation gain/(loss) not recognized in the income statement	-	-	-	-	(7,239,608)	-	-	(7,239,608)
Net profit for the year	-	-	-	-	-		2,079,040,079	2,079,040,079
Transfer to statutory reserve	-	703,482,063	-	-	-	-	(703,482,063)	-
Cash dividend for the year 2015	-	-	-	-	-	-	(1,126,102,954)	(1,126,102,954)
Balance at 31 December 2016	**8,832,180,030**	**5,927,548,654**	**10,162,348**	**355,441,831**	**399,963**	**205**	**1,446,379,574**	**16,572,112,605**
Balance at 31 December 2015	**8,832,180,030**	**5,224,066,591**	**10,162,348**	**414,653,607**	**7,639,571**	**205**	**1,194,919,713**	**15,683,622,065**

Chairman **Director** **Director** **Managing Director & CEO**

NCC BANK LIMITED

Balance Sheet

As at 31 December 2016

Particulars	Note	31.12.2016 Taka	31.12.2015 Taka
PROPERTY AND ASSETS			
Cash	5	**10,446,766,212**	**9,276,607,311**
In hand (including foreign currencies)		1,336,085,062	1,191,609,017
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		9,110,681,150	8,084,998,294
Balance with other banks and financial institutions	6	**4,945,063,641**	**4,228,305,117**
In Bangladesh		4,573,736,592	3,958,039,968
Outside Bangladesh		371,327,049	270,265,149
Money at call and short notice	7	-	-
Investments	8	**23,958,163,884**	**21,457,592,088**
Government		21,253,372,092	20,035,094,753
Others		2,704,791,792	1,422,497,335
Loans and advances	9	**126,003,479,329**	**104,854,725,530**
Loans, cash credits, overdrafts, etc.		121,594,172,870	101,775,003,921
Bills purchased & discounted		4,409,306,459	3,079,721,609
Fixed assets including premises, furnitures and fixtures	10	**2,500,129,703**	**2,628,177,518**
Other assets	11	**4,852,630,066**	**3,924,544,787**
Non-banking assets		-	-
TOTAL ASSETS		**172,706,232,835**	**146,369,952,351**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	12	**6,726,399,870**	**5,565,807,122**
Deposits and other accounts	13	**132,764,872,600**	**112,722,210,375**
Current deposits and other accounts		13,865,186,763	11,118,728,784
Bills payable		5,101,703,331	1,882,364,468
Savings bank deposits		18,732,883,987	15,519,149,153
Fixed deposits		50,135,024,925	45,151,188,780
Term deposits		44,930,073,594	39,050,779,190
Other liabilities	14	**16,672,764,149**	**12,427,296,595**
TOTAL LIABILITIES		**156,164,036,619**	**130,715,314,092**
Shareholders' equity			
Paid up capital	15.2	8,832,180,030	8,832,180,030
Statutory reserve	16	5,927,548,654	5,224,066,591
General reserve	17	10,162,348	10,162,348
Other reserve including assets revaluation reserve	18	355,441,831	414,653,607
Foreign currency translation gain/(loss)	18.1	399,963	7,639,571
Surplus in profit and loss account	19	1,416,463,390	1,165,936,112
TOTAL SHAREHOLDERS' EQUITY		**16,542,196,216**	**15,654,638,259**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**172,706,232,835**	**146,369,952,351**

Particulars	Note	31.12.2016 Taka	31.12.2015 Taka
OFF BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	**20.1**	12,268,815,139	11,492,348,389
Letters of guarantee	**20.2**	17,877,420,213	13,769,401,350
Letters of credit issued	**20.3**	11,183,881,376	8,988,152,644
Bills for collection	**20.4**	10,160,692	183,043
Other commitments			
Claims against the bank not acknowledged as debt		-	-
Capital commitments		-	-
Export development fund (EDF)		-	2,852,700
TOTAL OFF BALANCE SHEETS ITEMS INCLUDING CONTINGENT LIABILITIES		**41,340,277,420**	**34,252,938,126**

These financial statements should be read in conjunction with the annexed notes from 1 to 43.

Chairman **Director** **Director** **Managing Director & CEO**

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka
10 April 2017

ACNABIN
Chartered Accountants

NCC BANK LIMITED

Profit and Loss Account

For the year ended 31 December 2016

	Note	2016 Taka	2015 Taka
Interest income	**22**	11,272,071,375	11,146,340,460
Less: Interest paid on deposits and borrowings	**23**	7,281,263,722	8,056,172,569
Net interest income		**3,990,807,653**	**3,090,167,891**
Income from investments	**24**	2,015,414,055	2,678,532,500
Commission, exchange and brokerage	**25**	1,150,940,366	796,968,834
Other operating income	**26**	412,416,886	385,063,468
Total operating income		**7,569,578,960**	**6,950,732,693**
Salary and allowances	**27**	1,867,183,344	1,858,554,514
Rent, taxes, insurance, electricity etc.	**28**	331,582,708	310,958,861
Legal expenses	**29**	17,052,825	21,429,011
Postage, stamp, telecommunication etc.	**30**	30,002,386	27,954,067
Stationery, printing, advertisement etc.	**31**	65,641,616	89,123,218
Chief Executive Officer's salary and allowances	**32**	9,000,000	9,000,000
Director's fees & other benefits	**33**	3,976,000	4,014,104
Auditors' fees	**34**	345,000	230,000
Charges on loan losses		9,965,679	-
Repairs,maintenance,amortization and depreciation of bank's assets	**35**	479,468,909	487,289,951
Other expenses	**36**	264,139,018	275,918,827
Total operating expenses		**3,078,357,485**	**3,084,472,553**
Profit before provision		**4,491,221,475**	**3,866,260,140**
Provision for loans and advances		947,616,748	1,560,771,018
Specific provision	**14.5(a)**	818,569,430	1,430,332,399
General provision	**14.5(b)**	129,047,318	130,438,619
Provision for off-balance sheet exposures	**14.6**	68,187,074	-
Provision for off-shore banking unit	**14.7**	13,203,697	7,481,573
Provision for investment fluctuation in shares	**8.3**	(84,059,083)	66,873,799
Provision for other assets	**14.2**	(3,837,276)	3,426,147
Provision for nostro accounts	**14.11**	7,700,000	-
Total provision		**948,811,160**	**1,638,552,537**
Profit after provision for loans & advances and others items		**3,542,410,315**	**2,227,707,603**
Contribution to NCC Bank Foundation	**14.9**	25,000,000	25,000,000
Profit before tax		**3,517,410,315**	**2,202,707,603**
Provision for tax		**1,439,302,819**	**838,890,868**
Current tax	**14.3**	1,464,160,915	893,261,810
Deferred tax	**14.4.1**	(24,858,096)	(54,370,942)
Profit after tax for the year		**2,078,107,496**	**1,363,816,735**
Balance of profit brought forward from last year	**19.1**	39,833,159	239,233,892
Total profit available for distribution		**2,117,940,654**	**1,603,050,627**
Appropriations:			
Statutory reserve		703,482,063	440,541,521
General reserve		-	-
		703,482,063	440,541,521
Retained earnings	**19**	**1,414,458,591**	**1,162,509,106**
Earnings per share (EPS)	**42**	**2.35**	**1.54**

These financial statements should be read in conjunction with the annexed notes from 1 to 43.

Chairman **Director** **Director** **Managing Director & CEO**

See annexed auditor's report to the Shareholders of the date.

Dated, Dhaka
10 April 2017

ACNABIN
Chartered Accountants

NCC BANK LIMITED

Cash Flow Statement

For the year ended 31 December 2016

		Note	2016 Taka	2015 Taka
A)	**Cash flows from operating activities**			
	Interest receipts in cash		13,251,742,695	13,554,471,975
	Interest payments		(4,985,730,989)	(6,798,213,549)
	Dividend receipts		65,092,594	44,691,735
	Fees & commission receipts in cash		607,591,764	589,045,771
	Recoveries on loans previously written off		16,485,152	14,573,045
	Cash payments to employees		(1,683,946,333)	(1,617,462,385)
	Cash payments to suppliers		(129,662,404)	(147,881,998)
	Income taxes paid		(1,027,503,558)	(604,725,715)
	Receipts from other operating activities	37	1,012,150,215	890,965,953
	Payments for other operating activities	38	(811,359,305)	(788,035,498)
	Operating cash flow before changes in operating assets and liabilities		**6,314,859,831**	**5,137,429,335**
	Increase/(decrease) in operating assets & liabilities			
	Purchase & sale of trading securities		(1,275,694,614)	5,084,806,469
	Loans and advances to customers (Other than banks)		(21,148,753,799)	(13,933,953,502)
	Other assets	39	(25,698,015)	(95,563,467)
	Deposits and borrowings from other banks		1,194,986,245	(28,221,992)
	Deposits from customers (Other than banks)		19,985,113,355	7,330,596,265
	Other liabilities account of customers		(940,896,383)	(1,163,926,593)
	Other liabilities	40	180,971,922	100,126,121
	Net cash receipts from operating activities		**4,284,888,542**	**2,431,292,636**
B)	**Cash flows from investing activities**			
	Proceeds from sale of securities		94,704,023	115,408,617
	Payment for purchase of securities		(1,267,704,230)	(85,954,489)
	Purchase of property, plant and equipment		(112,410,564)	(299,806,514)
	Sales proceeds of fixed assets		892,742	10,838,497
	Net cash used in investing activities		**(1,284,518,029)**	**(259,513,889)**
C)	**Cash flows from financing activities**			
	Borrowings from other bank's , financial institutions and agents		23,155,373	306,503,465
	Dividend paid in cash		(1,126,102,954)	-
	Net cash receipts/(payments) from financing activities		**(1,102,947,581)**	**306,503,465**
D)	**Net increase/(decrease) in cash (A+B+C)**		**1,897,422,933**	**2,478,282,212**
E)	Effects of exchange rate changes on cash and cash-equivalents		(7,239,608)	7,913,698
F)	Cash and cash-equivalents at the beginning of the year		13,510,524,628	11,024,328,718
G)	**Cash and cash-equivalents at the end of the year (D+E+F)**	41	**15,400,707,953**	**13,510,524,628**

These financial statements should be read in conjunction with the annexed notes from 1 to 43.

Chairman **Director** **Director** **Managing Director & CEO**

NCC BANK LIMITED

Statement of Changes in Equity

For the year ended 31 December 2016

Particulars	Paid up capital Taka	Statutory reserve Taka	General reserve Taka	Other reserve including assets revaluation reserve Taka	F.C. Translation gain/(loss) Taka	Retained earnings Taka	Total Taka
Balance at 1st January 2016	**8,832,180,030**	**5,224,066,591**	**10,162,348**	**414,653,607**	**7,639,571**	**1,165,936,112**	**15,654,638,259**
Transferred from revaluation reserve against depreciation on revaluation of fixed assets	-	-	-	(2,004,799)	-	2,004,799	-
Revaluation of Govt. securities (treasury bills/bonds) HFT made during the year	-	-	-	(57,206,977)	-	-	(57,206,977)
Currency translation gain/(loss) not recognized in the income statement	-	-	-	-	(7,239,608)	-	(7,239,608)
Net profit for the year	-	-		-		2,078,107,496	2,078,107,496
Transfer to statutory reserve	-	703,482,063	-	-		(703,482,063)	-
Cash dividend for the year 2015	-	-	-	-	-	(1,126,102,954)	(1,126,102,954)
Balance at 31 December 2016	**8,832,180,030**	**5,927,548,654**	**10,162,348**	**355,441,831**	**399,963**	**1,416,463,390**	**16,542,196,216**
Balance at 31 December 2015	**8,832,180,030**	**5,224,066,591**	**10,162,348**	**414,653,607**	**7,639,571**	**1,165,936,112**	**15,654,638,259**

Chairman **Director** **Director** **Managing Director & CEO**

NCC BANK LIMITED

Liquidity Statement

(Asset and Liability Maturity Analysis)

For the year ended 31 December 2016

Amount in Taka

Particulars	Not more than 1 month term	1-3 months term	3-12 months term	1-5 years term	Above 5-years term	Total
Assets:						
Cash in hand	1,336,085,062	-	-	-	-	1,336,085,062
Balances with other banks and financial institutions	5,113,760,671	500,000,000	-	-	8,441,984,120	14,055,744,791
Money at call & short notice	-	-	-	-	-	-
Investments	7,739,153,221	250,000,000	762,661,477	7,998,402,164	7,207,947,022	23,958,163,884
Loans & advances	37,574,135,922	25,150,778,409	31,261,566,093	22,816,072,277	9,200,926,628	126,003,479,329
Fixed assets including land, building, furniture & fixtures	22,958,143	62,617,755	281,779,899	719,286,456	1,413,487,450	2,500,129,703
Other assets	146,249,602	137,891,917	994,267,836	1,320,170,133	2,254,050,578	4,852,630,066
Non-banking assets	-	-	-	-	-	-
Total assets	**51,932,342,621**	**26,101,288,081**	**33,300,275,305**	**32,853,931,030**	**28,518,395,798**	**172,706,232,835**
Liabilities:						
Borrowing from other banks, financial institutions & agents	3,429,811,239	384,475,621	874,008,624	892,942,266	1,145,162,120	6,726,399,870
Deposits	30,226,167,373	28,764,770,782	26,417,617,015	35,622,238,796	6,632,375,303	127,663,169,269
Bills payable	5,101,703,331	-	-	-	-	5,101,703,331
Provision & other liabilities	1,473,029,226	1,813,550,864	4,478,413,007	4,355,866,323	4,551,904,729	16,672,764,149
Total liabilities	**40,230,711,169**	**30,962,797,267**	**31,770,038,646**	**40,871,047,385**	**12,329,442,152**	**156,164,036,619**
Net liquidity gap	**11,701,631,452**	**(4,861,509,186)**	**1,530,236,659**	**(8,017,116,355)**	**16,188,953,646**	**16,542,196,216**

Net result of the liquidity statement represents the 'shareholders' equity' of the bank.

Chairman **Director** **Director** **Managing Director & CEO**

NCC BANK LIMITED & ITS SUBSIDIARIES

Notes to the Financial Statements

As at and for the year ended on 31 December 2016

1.1 Status of the Bank

The **National Credit and Commerce Bank Limited** (NCCBL) was formed as a public banking company limited by shares incorporated in Bangladesh with primary objective to carry on all kinds of banking business in and outside Bangladesh.

The registered office of the Bank is located at NCC Bank Bhaban, 13/1-2 Toyenbee Circular Road, Motijheel Commercial Area, Dhaka-1000. It commenced its banking business with 16 branches from May 17, 1993 under the license issued by Bangladesh Bank. Presently the Bank has 106 branches all over Bangladesh and 02 (Two) booths at Uttara Model Town, Uttara, Dhaka and Maniknagar, North Golapbagh, Dhaka. The Bank has no overseas branch as at 31 December 2016. It carries out all banking activities through it branches in Bangladesh. The Bank went for initial public offering in 1999 and its share is listed with Dhaka and Chittagong Stock Exchange Limited as a publicly traded company.

1.1.1 Principal activities

The principal activities of the Bank are to provide all kinds of commercial banking services to its customers through its branches.

1.1.2 Offshore banking units

Offshore banking unit (OBU) is a separate business unit of NCC Bank Limited governed under the rules and guidelines of Bangladesh Bank. The Bank obtained permission for operation of offshore banking units located at Foreign Exchange Branch & Agrabad Branch vide Bangladesh Bank letter no. BRPD (P-3)744(113)/2010-1648 dated 02 May 2010. The Bank operates of its offshore banking units from 26 August 2013 at Foreign Exchange branch, Dhaka and In the year 2015, operation of offshore banking units which was operating in Foreign Exchange Branch had been transferred to NCC Bank Bhaban branch. Separate financial statements of offshore banking unit are shown in **Annexure-N.**

1.1.3 Information regarding subsidiary:

The Bank has 02 (Two) subsidiary companies as on December 31, 2016. Previously the Bank had 03 (Three) subsidiary companies. During the year 2015, operation of a subsidiary **NCCB Exchange (UK) Limited** had been discontinued and approval from UK Companies House had been obtained on 04-08-2015.

1.1.3.1 NCCB Securities and Financial Services Limited

NCCB Securities and Financial Services Limited is a subsidiary company of NCC Bank Limited incorporated as a private company limited by shares on April 04, 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83683/10 dated April 04, 2010 under the Companies Act-1994. NCCBSFSL commenced its operation from March 07, 2011. The main objective of the company is to act as a full fledged stock broker & stock dealer to execute buy and sell order and to maintain own portfolio as well as customers' portfolio under the discretion of customers. The company also performs the other activities relates to capital market as and when regulators permit the company to carry out activities as per their guidelines. Financial statements for the year 2016 of the company are shown in **Annexure-O**

1.1.3.2 NCCB Capital Limited (NCCBCL)

NCCB Capital Limited (NCCBCL) is a subsidiary company of NCC Bank Limited incorporated as a private company limited by shares on April 01, 2010 with the Registrar of Joint Stock Companies and Firms vide certificate of incorporation no.C-83649/10 dated April 01, 2010 under the Companies, Act-1994. The main objective of the company is to provide full fledged merchant banking services like issue management, underwriting, advisory services & as and when regulators permits the company to carry out activities as per their guidelines. NCCBCL was not in operation till December 31, 2016. Financial statements of the company are shown in **Annexure-P**

2 Significant accounting policies and basis of preparation of financial statements

2.1 Basis of accounting

The financial statements namely, Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity, Liquidity Statement and relevant notes and disclosures thereto of the Bank are prepared on a going concern basis under the historical cost convention, and in accordance with First Schedule of the Banking Companies Act 1991, as amended 2013, BRPD circular no. 14 of 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards, and International Financial Reporting Standards adopted in Bangladesh as Bangladesh Accounting Standards (BASs), and Bangladesh Financial Reporting Standards (BFRSs) as adopted by the Institute of Chartered Accountants of Bangladesh, the Companies Act, 1994, the Bangladesh Securities and Exchange Rules 1987. Wherever appropriate, such principles are explained in succeeding notes.

Statement of compliance

The financial statements of the Bank are prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs) and the requirements of the Bank Companies Act 1991, as amended 2013, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, Securities and Exchange Rules 1987. In case any requirement of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of BFRSs, the requirements of the Bank Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of BFRSs are as follows:

i) Investment in shares and securities

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

Bangladesh Bank: As per BRPD circular no. 14 dated 25 June 2003 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

ii) Revaluation gains/losses on Government Securities

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

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

iii) Provision on loans and advances/investments

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

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012), BRPD circular No. 05 (29 May 2013) and BRPD circular No.16 (18 November 2014) a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence

of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 5% to 20%, 5% to 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by BAS 39.

iv) Recognition of interest suspense

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

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once a loan is classified, interest on such loans are not allowed to be recognized 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.

v) Other comprehensive income

BFRS: As per BAS 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 statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks in Bangladesh. The templates of financial statements issued by Bangladesh Bank neither 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.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in BAS 39. As such full disclosure and presentation requirements of BFRS 7 and BAS 32 cannot be made in the financial statements.

vii) Financial guarantees

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

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

viii) Cash and cash equivalent

BFRS: Cash and cash equivalent items should be reported as cash item as per BAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call on short notice', treasury bills, Bangladesh Bank bills and prize bond are shown as cash and cash equivalents. Money at call on short notice presented on the face of the balance sheet, and treasury bills and prize bond are shown in investments.

ix) Non-banking asset

BFRS: No indication of non-banking asset is found in any BFRS. Bangladesh Bank: As per BRPD 14, there must be stated a face item named as non-banking asset.

x) Cash flow statement

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

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect methods.

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

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

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

xii) Presentation of intangible asset

BFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per BAS 38.

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

xiii) Off-balance sheet items

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

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xiv) Loans and advances/Investments net of provision

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

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

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of NCC Bank Limited and its subsidiary companies - NCCB Securities and Financial Services Limited & NCCB Capital Limited. The consolidated financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards 10-"Consolidated Financial Statements". The Consolidated Financial Statements are prepared to common financial year ending 31 December 2016.

Subsidiary

Subsidiary is the enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly and indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that the control effectively commences until the date that it control effectively ceases. Subsidiary company is consolidated using the purchase method of accounting.

Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions is also eliminated on consolidation.

2.3 Use of estimates and judgments

In the preparation of financial statements, management requires to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

2.4 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka which is the Bank's functional currency except as indicated.

2.5 Foreign currency transaction/translation

a) Foreign currencies transaction/translation

Foreign currency transactions are converted into equivalent taka using the ruling exchange rates on the dates of respective transactions as per BAS-21 "The Effects of Changes in Foreign Exchange Rates". Assets and liabilities in foreign currencies at 31 December 2016 have been converted into Taka currency at the average of the prevailing buying and selling rates of the relevant foreign currencies at that date except "Balances with other Banks and Financial Institutions" which have been converted as per directives of Bangladesh Bank vide its circular no. BRPD(R) 717/2004-959 dated 21 November 2004.

b) Commitments

Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka at the rates of exchange prevailing on the balance sheet date.

c) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation.

2.6 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank. It reported cash flows during the year classified by operating activities, investing activities and financing activities.

2.7 Liquidity statement

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases.

i) Balance with other banks and financial institutions, money at call and short notice, etc. are shown on the basis of their maturity term;
ii) Investments are on the basis of their respective maturity;
iii) Loans and advances / investments are on the basis of their repayment schedule;
iv) Fixed assets are on the basis of their useful lives;
v) Other assets are on the basis of their realization / amortization;
vi) Borrowing from other banks, financial institutions and agents, etc. are as per their maturity / repayment terms;
vii) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors;
viii) Provisions and other liabilities are on the basis of their payment / adjustments schedule.

2.8 Reporting period

These financial statements cover the period from 01 January to 31 December 2016.

2.9 Offsetting

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

2.10 Assets and basis of their valuation

2.10.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances held with Bangladesh Bank & other Banks and FI which highly liquid financial asset which are subject to insignificant risk of changes in their fair value and are used by the bank management for its short-term commitments.

2.10.2 Loans and advances

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

b) Interest is calculated on a daily product basis but charged on quarterly basis and accounted for on accrual basis. Interest on classified loans and advances are kept in suspense account as per Bangladesh Bank instructions and such interest is not accounted for as income until realized from borrowers [please refer Note- 9.11 (x)]. Interest is not charged on bad and loss loans as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

c) The Bank are providing concessional interest rare to its' good borrowers.

d) Provision for loans and advances is made on the basis of quarter-end review by the management following instructions contained in Bangladesh Bank BCD Circular no. 34 dated 16 November 1989, BCD Circular no. 20 dated 27 December 1994, BCD Circular no. 12 dated 4 September 1995, BRPD Circular 16 dated 6 December 1998, BRPD Circular no. 9 dated 14 May 2001, BRPD Circular no. 09 of August 2005 and BRPD Circular no.17 dated 06 December 2005, BRPD

Circular no.32 dated 27 October 2010, BRPD Circular no.14 dated 23 September 2012 and BRPD Circular no.19 dated 27 December 2012, BRPD Circular no.5 dated 29 May 2013 BRPD Circular no.16 dated 18 November 2014. The provision rates are given below:

Particulars	Rate
General provision on unclassified loans and advances	
Standard general loans and advances	1%
Standard small & medium enterprise financing	0.25%
Standard loans to merchant banking/BHs/SDs	2%
Std. Housing Fin. and loans for professional to set up a business	2%
Standard consumers loan scheme other than HF and LP	5%
Standard Short term agriculture and Micro credit	2.50%
Special mention account general loans and advances	1%
Special mention account small & medium enterprise Financing	0.25%
Special mention account loans to BHs/MBs/Sds	2%
Special mention account HF and LP	2%
Special mention account consumer's loan scheme other than HF & LP	5%
Specific provision on classified loans and advances	
Substandard (Agriculture & Micro credit)	5%
Doubtful (Agriculture & Micro credit)	5%
Substandard	20%
Doubtful	50%
Bad or Loss	100%

e) Loans and advances with no realistic prospect of recovery have been written off against which full provisions are made and legal cases has been initiated. Detailed memorandum records for all such written off accounts are maintained.

2.10.3 Investments

All investments on securities are initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accredited, using the effective yield method and are taken to discount income. The valuation methods of investments used are:

Held to maturity (HTM)
Investments which have 'fixed or determinable payments' and are intended to be 'held to maturity' other than those that meet the definition of 'held at amortized cost-others' are classified as held to maturity. These investments are subsequently measured at present value as per Bangladesh Bank guideline. Investments in securities have been revalued as mark to market as at December 31, 2016. The gain of revaluation from the held to maturity securities has been shown in the statement of changes in equity of December 31, 2016.

Held for trading (HFT)
Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short-trading or if designated as such by the management after initial recognition, investments are measured at fair value and any change in the fair value is recognized in the profit & loss account for the period in which it arises. These investments are subsequently revalued at current market value on weekly basis as per Bangladesh Bank guidelines. Revaluation gain has been shown in revaluation reserve account & revaluation loss has been shown in profit & loss account.
Value of investments has been enumerated as follow:

Item	Applicable accounting value
Government treasury bills-HTM	Amortized value
Government treasury bills-HFT	Market value
Government treasury bonds-HTM	Amortized value
Government treasury bonds-HFT	Market value
Prize bonds	At cost

Investment in listed securities:

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements which market price is below the cost price of investment. Provision against mutual fund calculated as per B.B DOS Circular No-10 dated 28 June 2015 **(Note-8.3).**

Investment in unquoted securities

Investment in unquoted 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 unquoted securities.

Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the BRFS-10. Accordingly Investment in subsidiary is stated in the Bank's balance sheet at cost, less impairment losses if any.

2.10.4 Property, plant and equipment

Recognition and measurement

All fixed assets except land and buildings/office premises are stated at historical cost which land and building/office premises at revalued amount (whenever applicable) less accumulated depreciation as per BAS -16" Property, Plant and Equipment". The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties and non refundable taxes.

Subsequent cost:

The cost of replacing part of such an item of fixed assets is recognized in the carrying amount of an item of property, plant and equipment if it is probable that the future economic benefits embodied with the part will flow to the company and the cost of the item can be measured reliably. The cost of day to day servicing of fixed asset is recognized in profit and loss as incurred.

Depreciation:

Depreciation is charged for the year at the following rates on reducing balance method on all fixed assets other than vehicles, Computer Equipment and software on which straight line depreciation method is followed and no depreciation is charged on land:

Category of fixed assets	Rate of depreciation
Land	Nil
Building/Office premises	2.50%
Furniture & fixture	10.00% to 20.00%
Machineries & equipment	20.00%
Computer equipment	20.00%
Vehicles	20.00%

a) For additions during the year, depreciation is charged for the remaining days of the year and for disposal, depreciation is charged up to the date of disposal.

b) On disposal of fixed assets the cost and accumulated depreciation are eliminated from the fixed assets schedule and gain or loss on such disposal is reflected in the profit and loss account which is determined with reference to the net book value of the assets and net sale proceeds.

2.10.5 Intangible assets:

a) An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of assets can be measured reliably.

b) Software represents the value of computer application software licensed for use of the Bank, other than software applied to the operation software system of computers. Intangible assets are carried at its cost, less accumulated amortization and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditures that are incurred in customizing the software for its intended use.

c) Software is being amortized using the following method and rates:

Category of intangible assets	Rate of amortization
Software (straight line)	20.00%

2.10.6 Other assets

Provision for other assets

Other assets have been classified as per BRPD circular no. 14 dated 25.06.2001 of Bangladesh Bank and necessary provisions have been made thereon accordingly and for item not covered under the circular, adequate provision have been made considering their recoverability.

2.10.7 Securities purchased under re-sale agreement

Securities purchased under re-sale agreements are treated as collateralized lending and recorded at the consideration paid and interest accrued thereon. The amount lent is shown as an asset either as loans and advances to customers or loans to other banks.

The difference between purchase price and resale price is treated as interest received and accrued evenly over the life of REPO agreement.

2.10.8 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.10.9 Inventories

Inventories are measured at cost.

2.10.10 Leasing

Leases are classified as finance leases whenever 'the terms of the lease' transfer substantially all the risk and rewards of ownership to the lessee as per BAS-17 "Lease".

The bank as lessor

Amount due from lessees under finance leases are recorded as receivables at the amount of the Banks loans and advances in the leases.

The bank as lessee

The Bank has no assets under finance or operating Leases.

2.10.11 Non-banking assets

The Bank has been awarded ownership of few mortgaged properties vide verdict under section 33(7) of the Artharin Adalat Act, 2003. Such properties have not been recognized as non banking assets as value measurements of the properties are under process.

2.11 Reconciliation of inter-bank and inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly.

Un-reconciled entries / balances in case of inter-branch transaction as on the reporting date are not material.

2.12 Share capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.13 Statutory reserve

Bank Companies Act, 1991 (Amended up to 2013) requires the bank to transfer not less than 20% of its current period profit before tax to reserve until such reserve equals to Bank's paid up capital.

2.14 Revaluation reserve

When an asset's carrying amount is increased as a result of a revaluation, the increased amount credited directly to equity under the heading of revaluation surplus/reserve as per BAS-16: "Property, Plant and Equipment". The Bank revalued the assets of land and building which is absolutely own by the Bank and the increased amount transferred to revaluation reserve.

2.15 Non-controlling (Minority) interest in subsidiary

Non-controlling (Minority) interest in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the non-controlling (Minority) interest in the subsidiary company is always less than 50% of outstanding shares; else the corporation would cease to be a subsidiary of the parent. Non-controlling (Minority) interest belongs to other investors and is reported on the consolidated balance sheet of the owing company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, non-controlling (Minority) interest is reported on the consolidated income statement as a share of profit belonging to non-controlling (Minority) shareholders.

2.16 Deposits and other accounts

Deposits by customers and banks are recognized when the bank enters into contractual provisions of the arrangements with the counterparties, which is generally on trade date, and initially measured at the consideration received.

2.17 Borrowings from other banks, financial institutions and agents

Borrowed fund include call money deposits, borrowings from Bangladesh Bank and other Banks. They are stated in the balance sheet at amounts payable. Interest paid/payable on these borrowings is charged to the profit and loss account. Disclosures on borrowings against REPO are shown in **Annexure-J**

2.18 Basis for valuation of liabilities and provisions

2.18.1 Provision for taxation

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit & Loss Account because it excludes items of income or expense that are taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted before the date of balance sheet.

Provision for current income tax has been made @ 40.00% on accounting profit made by the Bank after considering some of the add backs of income and disallowances of expenditure as per Income Tax Ordinance 1984.

2.18.2 Deferred taxation

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing difference arising between the carrying values of assets, liabilities and their respective tax bases. Deferred tax assets & liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per BAS -12 "Income Taxes". Disclosures on deferred taxes are shown in **note-14.4.1**.

2.18.3 Retirement benefits to the employees

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with the provisions of BAS-19 "Employee Benefits". The Bank operates retirement benefits scheme for its permanent employees. Elements of which are as under:

a) Provident fund

Provident fund benefits are given to the permanent employees' of the Bank in accordance with Bank's service rules. Accordingly a trust of deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone-04, 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 16.01.1992. The fund is operated by a Board of Trustees consisting 05 (five) members. All confirmed employees of the bank are contributing 10% of their basic salary as subscription to the fund. The bank also contributes equal amount of the employees' contribution. Interest earned from the investments is credited to the members account on yearly basis.

a) Gratuity fund

The bank has operated gratuity fund which was approved by National Board of Revenue on 17.09.2009. The fund is operated Board of Trustees. Provision in respect of which is made annually covering all its permanent eligible employees as per BAS-19 "Employee Benefits".

b) Gratuity fund

The bank has operated gratuity fund which was approved by National Board of Revenue on 17.09.2009. The fund is operated Board of Trustees. Provision in respect of which is made annually covering all its permanent eligible employees as per BAS-19 "Employee Benefits"

c) Superannuation fund

The bank operates an employees' Superannuation Fund Trust by a separate Board of Trustees consisting of 05 (Five) members. The death-cum survival benefits are given to the employees as per the eligibility narrated in the Trust Rules. The fund got recognition from the National Board of Revenue (NBR) effect from 01.01.2004 under the section 3 and 4 of part –A of First Schedule of Income Tax Ordinance 1984. The bank contributes to the fund annually as per Superannuation Fund Rules of the bank.

d) Benevolent fund

NCCBL employees' benevolent fund was established in the year 2007 for the welfare of the distressed employees and their dependents. The employees of the bank contribute to the fund at a rate applicable for each grade from their monthly salary.

e) Workers profit participation fund and welfare fund

SRO-336-AIN/2010 dated 5-10-2010 issued by the 'Ministry of Labor and Employment' and published in Bangladesh gazette on 7-10-2010 declares the status of business of certain institutions and companies like mobile operating companies, mobile network service providing company, all Govt. and Non-govt. money lending companies, all insurance companies etc. as "Industrial Undertakings" for the purposes of Chapter-XV of the Bangladesh Labour Act,

2006 (as amended up to 2013) which deals with the workers' participation in company's profit by way of 'Workers Profit Participation Fund' and 'Welfare Fund'. The Bangladesh Labour Act, 2006 (as amended up to 2013) requires the "Industrial Undertakings" to maintain provision for workers' profit participation fund @ 5% on net profit. Since this requirement contradicts with the Section 11 of the 'Bank Companies Act 1991 (as amended up to 2013)', we took opinion from 'Bangladesh Bank' on the same. Subsequently, Bangladesh Bank has opined that the provisions of the two statutes shall be subject to challenge and shall vitiate the purpose of such legislation. Therefore, no provision in this regard has been made in the Financial Statements during the year under audit.

2.18.4 Provision for liabilities

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

2.18.5 Provision for off-balance sheet items

Off-balance sheet items have been disclosed under contingent liabilities and other commitments as per Bangladesh Bank guidelines. As per BRPD Circular no.10 dated September 18, 2007 & BRPD Circular no.14 dated September 23, 2012, Banks are advised to maintain provision @ 1.00% against off-balance sheet exposure in addition to the existing provisioning arrangement.

2.18.6 Provision for NOSTRO accounts:

As per instructions contained in the circular letter no. FEPD (FEMO)/01/2005-677 dated September 13, 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, Banks are required to make provision regarding the un-adjusted debit balance of NOSTRO account over more than three months as on the reporting date in these financials. There are 24 no of un-reconciled entries which are outstanding more than three months as on 31 December 2016. The bank has been maintained adequate provision as per above mentioned circular accordingly.

2.19 Revenue recognition

2.19.1 Interest income

In terms of the provision of the BAS-18 "Revenue" the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken in to income when such advances are classified. It is than kept in interest suspense in a memorandum account. Interest on classified loans and advances is accounted for on a cash receipt basis.

2.19.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

2.19.3 Fees and commission income

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

2.19.4 Dividend income on shares

Dividend income is recognized when shareholders' right to receive is established.

2.19.5 Interest paid and other expenses

In terms of the provisions of BFRS, interest and other expenses are recognized on accrual basis.

2.19.6 Dividend payments

Interim dividends are recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.
Dividend payable to the bank's shareholders are recognized as a liability and deducted from the shareholders equity when it is payable/paid in the period in which the shareholders right to receive the payment is established.

2.20 Risk management

The risk of the Bank may be defined as the possibility of losses, financial or otherwise. The risk management of the Bank covers 06 core risks i.e. Credit Risk, Internal Control & Compliance Risk, Money Laundering Risk, Asset Liability Management Risk (Balance Sheet Risk), Foreign Exchange Risk and Information Technology Risk. As a part of risk management, adequate capital is maintained against Credit Risk, Market Risk and Operational Risk under Basel-III accord. Under the second pillar of Basel-III, a Supervisory Review Process (SRP) team has been formed to review, monitor and maintain adequate capital considering all relevant risks. Quarterly Stress Testing is conducted to assess the impact of different risks associated with banking business on asset, liability & ultimately on capital and the report is submitted before the Board of Directors and to Bangladesh Bank regularly. The prime objective of the risk management is that the bank evaluates and takes well calculative business risks and there by safeguarding the banks capitals, its financial resources and profitability from various business risks through its own measures and through implementing Bangladesh Bank guidelines and following some of the best practices as under:

2.20.1 Credit risk

It arises mainly from lending, trade finance, and leasing and treasury business. Credit Risk can be described as potential loss arises from the failure of a counter party to perform as per contractual agreement with the bank. The failure may result from unwillingness of the counter party of decline in his or her financial condition there for the banks credit risk management activities have been designed to address all these issues.

The Bank has segregated duties of the officers / executives involved in credit related activities, a separate corporate division has been formed at Head office which is entrusted with the duties of maintaining effective relationship with the customers, marketing of credit products, exploring now business opportunities etc. moreover, credit approval, administration, monitoring and recovery functions have been segregated. For this purpose, three separate units have been formed within the credit division these are a) Credit risk Management Unit b) Credit Administration Unit and c) Credit monitoring and recovery Unit. Credit risk management Unit is entrusted with the duties of maintaining assets quality, assessing risk in lending to a particular customer, sanctioning credit, formulating policy / strategy for lending operation, etc. Adequate provision has been made on classified loans is shown in **Note 14.5 (a).**

A thorough assessment is done before sanction of any credit facility at Credit Risk Management Unit. The risk assessment includes borrower risk analysis, financial analysis, industry analysis, historical performance of the customer, security of the proposed credit facility, etc. The assessment process starts at Corporate Credit Division by the Relationship Manager / Officer and ends at Credit Risk Management Unit when it is approved / declined by the competent authority. Credit approval authority has been delegated to the individual at executives. Proposals beyond their delegation are approved / declined by the Executives Committee and / or the Management of the Bank. In determining Single borrower / large loan limit, the instructions of Bangladesh Bank are strictly followed. Internal audit is conducted at periodical intervals to ensure compliance of Banks and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines. Concentration of single borrower/large loan limit is shown in **Annexure-C**.

2.20.2 Foreign exchange risk

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

Treasury Department independently conducts the transactions and the back office of treasury is responsible for verification of the deals and passing of their entries in the books of account. All foreign exchange transactions are revalued at Mark-to-Market rate as determined by Bangladesh Bank at the month-end. All NOSTRO accounts are reconciled on a monthly basis and the management for its settlement reviews outstanding entry beyond 30 days. The position maintained by the bank at the end of day within the stipulated limit prescribed by the Bangladesh Bank.

2.20.3 Asset liability management

The assets liability committee (ALCO) of the Bank monitors Market risk and liquidity risks of the Bank. The Market risk is defined as potential charge in earnings due to change in rate of interest, foreign exchange rates which are not of trading nature. ALCO reviews liquidity requirement of the Bank, the maturity of assets and liabilities, deposit and lending, pricing strategy and the liquidity contingence plan. The primary objective of the ALCO is to monitor and avert significant volatility in Net Interest Income (NII), investment value and exchange earnings.

2.20.4 Money Laundering Risk

Money Laundering Risk arises from non-compliance of money laundering related instructions of the regulatory body. It's consequence are dire & far reaching and may be in the form of financial penalty, reputation loss, legal harassment and even the risk of sustainability. Weakness in money laundering prevention and combating terrorist financing may lower the image of the Bank in local & global environment. It may also reduce the confidence of the stakeholders. For involvement in money laundering & terrorist financing, the regulatory bodies may impose restrictions in expansion of business and Bank may lose the market share. Banks around the globe may be unwilling to establish correspondent banking relationship if money laundering prevention and combating financing terrorism status are not up to the mark. The following initiatives have been taken by our Bank to comply with the requirements of Bangladesh Financial Intelligence Unit, Bangladesh Bank:

- Central Compliance Unit (CCU) at Head Office and Branch Compliance Unit (BCU) at branch level have been formed headed by Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Branch Anti-Money Laundering Compliance Officer (BAMLCO) respectively.

- Policy Guideline on Anti Money Laundering (AML) and Combating Financing Terrorism (CFT) has been revised & updated complying with Bangladesh Bank's instruction & circulars/circular letters.

- Uniform Account Opening Form was introduced where KYC is a must. As per Money Laundering Prevention Act-2012, Bangladesh Bank instruction and BFIU master circular no. 10; branches have been instructed to obtain full & accurate information of the clients while establishing banking relationship.

- Actual transactions are compared with Transaction Profile (TP) to identify abnormal and suspicious transaction(s).

- Branch generates monthly Cash Transaction Report (CTR) for threshold amount Tk. 10 lacs & above to **FIU through goAML** Software within given deadline.Branches identified Suspicious Transaction by transaction symptoms & generate **STR** and send to CCU-AML, Head Office. After investigate & evaluateCCU-AML then sends Suspicious Transaction Report (STR) directly to BFIU of Bangladesh Bankusing **goAML** web software by complying **article 6 & 7of BFIU master circular 10.**
- In accordance with the instructions of BFIU, Banks provide the information of customer account within the mentioned time limit in the issued letter. If any account / amount are freeze bank confirms the same immediately to BFIU.

- Customers are graded on the basis of risk. High risk customers are closely monitored and Enhanced Due Diligence is applied in this case.

- Self Assessment is done by the branches and a summary report is prepared and submitted to the Managing Director & CEO and thereafter to BFIU, Bangladesh Bank half yearly basis.

- Independent Testing Procedure is done while conducting audit in the branches by ICC Division Audit Team. The same is summarized and placed before the Management and Bangladesh Bank half yearly basis."

- As per **article 3.2, 3.7, 3.8 & 3.9** of Bangladesh Bank's BFIU Circular No. 10, dated 28 December 2014, branches have been instructed to apply Enhance Due Diligence (EDD) in opening & maintaining accounts of Politically Exposed Persons (PEPs), Influential Persons (IPs), their family members and close associates.

- Extensive training is being continuously imparted to the officials of the Bank to make them familiar with money laundering prevention and combating financing terrorism and to mitigate the risk arising there from. **In the year 2016, total 507 officials** were provided training on Anti Money Laundering & Combating Financing Terrorism through outreach workshop. Our Training Institute is also arranging training/ workshop on the issue on regular basis.

- Emphasis is given to prevent Trade Base Money Laundering (TBML).Concern department of Head Office and Branches are advised to take all possible measures to prevent Trade Base Money laundering in case of Import & Export and to comply the Bank in this regard accordingly.

- Up to the year 2016 total 18 circulars of Bangladesh Financial Intelligent Unit (BFIU) of Bangladesh Bank have been disseminated to Bangladeshi all schedule banks for compliance.

- NID verification has been introduced for verification the genuineness of national identity of the customers; Branches are complying this issue inspect of account open, trade finance, and walking customers.

- We have developed a Sanction Screening Software (**Enfold**) for all Branches & Head Office for screening UN, OFAC EU, UK-HMT sanction list. Our all branch and Head Office is now screening UNSC, US-OFAC, EU, UK-HMT sanction list at the time of Account Opening, Inward Foreign Remittance payments and Opening any L/C.We utilize SWIFT Sanction Screening Software for screening Foreign National/Entity/ against L/C/, Import, Export& Foreign Remittance.

- Screening Mechanism is strictly followed for every customer and especially any foreign transactions like import, export, foreign remittance, foreign guarantee & correspondent banking relationship through System software procured by the bank

- Quarterly meeting of Central Compliance Unit (CCU) and Monthly meeting of Branch Compliance Unit (BCU) are arranged and the decisions are gradually implemented.

- Before establishing correspondent banking relationship, status on money laundering prevention and combating financing terrorism of the respondent banks are obtained through a questionnaire developed by Bangladesh Bank. Correspondent banking relationships with any bank is established upon receipt of the desired information and subject to our satisfaction pursue by article **3.10** of BFIU master circular no **10**.

- As a part of precautionary measure and as per instruction of Central Bank, we do not establish Correspondent Banking relationship with any shell bank or any bank having banking relationship with any shell bank.

- Records of Accounts, supporting documents, Transactions, Instruments /vouchers & records of Walk in Customers are maintained for all operating accounts & above documents are always maintained at least for **5 (five)** years after closes of the account.

- In compliance of directives of the Board of Directors Central Compliance Unit (AML) of Head Office sending compliance report on quarterly basis on anti Money Laundering (AML) & Combat Terrorist Financing (CFT) as per Money Laundering Prevention Act-2012(Amendment-2015) & Anti Terrorism Act-2009(Amendment-2013) and Bangladesh Financial Investigation Unit (BFIU) instructions.

2.20.5 Internal control and compliance

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

2.20.6 Information technology

NCCBL follows the guideline stated in BRPD Circular no. 14 dated 23 October 2005 regarding "Guideline on Information and Communication Technology for Scheduled Banks".

IT management deals with IT policy documentation, internal IT audit, training and insurance.

IT operation management covers the dynamics of technology operation management including change management, assets management and operating environment procedures management. The objective is to achieve the highest levels of technology service quality by minimum operational risk.

Physical security involves providing environmental safeguards as well as controlling physical access to equipment and data.

In order to ensure that information assets are protected against risk, there are controls over:

a) Password
b) User ID maintenance
c) Input
d) Network security
e) Data encryption
f) Virus protection
g) Internet and e-mail

The Business Control Plan (BCP) is formulated to cover operational risk and taking into account the potential for wide area disasters, data center disasters and the recovery plan. The BCP takes into account the backup and recovery process.

2.20.7 Market risk:

Interest rate risk

Interest rate risk may arise either from trading portfolio and non-trading portfolio. The trading portfolio of the Bank consists of Government treasury bills of 28 days maturity. The short-term movement in interest rate is negligible or nil. Interest rate risk of non-trading business arises from mismatches between the future yield of an asset and its funding cost. Asset liability Committee (ALCO) monitors the interest rate movement on a regular basis.

Equity risk

Equity risk arises from movement in market value of equities held. The market value of equities is lesser than cost price against which provision is appearing made in these financial statements.

2.20.8 Reputation risk arising from money laundering incidences

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

2.20.9 Operational risk

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

2.21 Earnings per share

Basic earnings per share

Basic earnings per share have been calculated in accordance with BAS-33 "Earnings per Share" which has been shown on the face of the profit and loss account. This has been calculated by dividing the basic earning by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the period as there was no scope for dilution during the year under review.

2.22 Memorandum items

Memorandum items are maintained to control all items of importance and for such transactions where the Bank has business responsibility but no legal commitment. Stock of Traveler's Cheques (TC), Saving Certificates and other fall under the memorandum items.

2.23 Compliance of Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs):

The Institute of Chartered Accountants of Bangladesh (ICAB) is the Official Standard setting body as well as the regulator of accounting profession in the country. ICAB has adopted most of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs). While preparing the financial statements, NCC Bank has applied all the applicable of BASs & BFRSs for preparation and presentation of financial statements except described in **note no.2.1** as noted below:

Name of the BAS	BAS no	Status
Presentation of Financial Statements	1	Not Applied*
Inventories	2	Applied
Cash Flow Statements	7	Not Applied*
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Construction Contracts	11	Not applicable
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	Not applicable
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Not applicable
Accounting and Reporting by Retirement Benefit Plans	26	Not applicable
Separate Financial Statements	27	Applied
Accounting for Investments in Associates	28	Not applicable
Financial Reporting of Interest in Joint Ventures	31	Not applicable
Financial Instruments: Presentation	32	Not Applied*
Earnings Per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Financial Instruments: Recognition and Measurement	39	Not Applied*
Investment Property	40	Applied
Agriculture	41	Not applicable

Name of the BFRS	BFRS no.	Status
First time adoption	1	Not applicable
Share Based Payment	2	Not applicable
Business Combinations	3	Not applicable
Insurance Contract	4	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	5	Not applicable
Exploration for and Evaluation of Mineral Resources	6	Not applicable
Financial Instruments: Disclosure	7	Not Applied*
Operating Segments	8	Applied
Financial Instruments-R&M	9	Not yet adopted but under review
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	Not applicable
Disclosure of interest in other entities	12	Not applicable
Fair Value Measurement	13	Not applicable

* The above BAS and BFRS are not applied due to compliance of the Banking Companies Act 1991, Rules and regulations and instructions issued by Bangladesh Bank time to time.

2.24 Regulatory and legal compliance

The Bank complied with the requirements of following regulatory and legal authorities:

a) The Banking Companies Act 1991 (Amended up to 2013);
b) The Companies Act 1994;
c) Rules and regulations issued time to time by Bangladesh Bank;
d) The Bangladesh Securities and Exchange Rules 1987, The Bangladesh Securities and Exchange Ordinance 1969, The Securities and Exchange Commission Act 1993, The Bangladesh Securities and Exchange Commission (Public Issue) Rules 2006;
e) The Income Tax Ordinance 1984;
f) The VAT Act 1991;
g) Other laws & regulations as applicable.

2.25 Information about business segments

Segments information is presented in respect of the group's business.

Business segments

Business segments report consists of products and services whose risks and returns are different from those of other business segments. These segments comprise conventional banking including offshore banking unit, investment services (NCCBSFSL & NCCBCL). Business segment report shown in **Annexure-M**

Geographical segments

Geographical segments report consists of products and services within a particular economic environment where risk and returns are different from those of other economic environments. These segments comprise of NCC Bank Limited, Offshore Banking Unit, NCCB Securities and Financial Services Limited & NCCB Capital Limited. Geographical segments reports are shown in **Annexure-M.**

Inter segment transactions, generally based on inter branch fund transfer measurements as determined by the management. Income, expenses, assets, liabilities are specifically identified with individual segments. Based on such allocation segment balance sheet as on 31 December 2016 and segment profit and loss account for the year ended 31 December 2016 have been prepared.

2.26 Events after the reporting period

Events after the reporting period provide additional information about the bank's position at the balance sheet date is reflected in the financial statements. Events after the reporting period are not adjusting event are disclosed in the notes when material.

2.27 Related party transaction

Related party transaction is a transfer of resources, services or obligation between related parties, regardless of whether a price is charged. Details disclosure shown in **Annexure- I**

2.28 Assets pledged as security

The bank has secured liability as mentioned in notes 12.01 and there was assets pledge as securities against liabilities.

2.29 Credit rating of the bank

Last seven years' Credit Ratings of our Bank are given below:

Year	Date of Rating	Long term	Short Term	Rating conducted by
2015	29-06-2016	AA	AR-1	Alpha Credit Rating Limited
2014	30.06.2015	AA	AR-2	Alpha Credit Rating Limited
2013	30.06.2014	AA	AR-2	Alpha Credit Rating Limited
2012	30.06.2013	AA-	AR-2	Alpha Credit Rating Limited
2011	24.05.2012	AA_3	ST-2	Credit Rating Agency of Bangladesh Limited (CRAB)
2010	23.06.2011	A_1	ST-2	
2009	24.06.2010	A_1	ST-2	

2.30 BASEL III implementation

The BASEL Committee on Banking Supervision has published a new framework for calculating minimum capital requirement, known as 'Basel III'. The new guideline is structured around three pillars: (i) minimum capital requirement (on credit risk, market risk and operation risk), (ii) supervisory review process and (iii) market discipline. Implementation of Basel II framework in Bangladesh will integrate the risk management process of the Bank and its capital adequacy requirement. Bangladesh Bank has formed a National Steering Committee and Coordination Committee for implementation of BASEL III in Bangladesh. As per the Committee decision BASEL II has been fully implemented in Bangladesh from January 2011. The National Steering Committee has indicated that the following methodology of BASEL III would be followed in Bangladesh:

I. Standardized method for credit and market risk.
II. Basic indicator approach for operational risk.
III. Internal Ratings Base for credit risk has been applied from 2012 where prior permission from Bangladesh Bank would be required.

2.31 The Bank's compliance with related pronouncements by Bangladesh Bank:

a) Internal control

The objective of internal control is to ensure that management has reasonable assurance that (a) operations are effective, efficient and aligned with strategy, (b) financial reporting and management information is reliable, complete and timely accessible, (c) the entity is in compliance with applicable laws and regulations as well as its internal policies and ethical values including sustainability, and (d) assets of the company are safeguarded and frauds & errors are prevented or detected.

National Credit and Commerce Bank Limited has established an effective internal control system whose primary aim is to ensure the overall control of risks and provide reasonable assurance that the objectives set by the bank will be met. It is designed to develop a high level risk prevention culture among the personnel of the bank, establish as efficient and qualified operating model of the bank, ensure reliability of internal and external information including accounting and financial information, secure the Bank's operations and assets, and comply with laws, regulatory requirements and internal policies.

The Board of Directors of NCC Bank Limited, through its Audit Committee, periodically reviews the effectiveness of Bank's internal control system covering all the material controls, including financial, operational and compliance controls, risk management systems, the adequacy of resources, qualifications and experience of staff of the accounting and financial reporting function, training programs, budget, etc. Board Audit Committee reviews the actions taken on internal control issues identified by the internal & external auditors and regulatory authorities. It has active oversight on the internal audit's independence, scope of work and resources and it also reviews the functions of Internal Control & Compliance Division of Head Office, particularly the scope of the annual audit plan and frequency of the internal audit activities.

b) Internal audit

Internal Audit is the continuous and systematic process of examining and reporting on the activities of an organization undertaken by the specially assigned staff(s). Internal Auditor works as the Eyes & Ears of the management. It may

therefore be used to bridge the gap between management and shop floor. It can assure the management that the internal controls are adequate and in operations, the policies and systems laid down are being adhered to and accounting records provided by the lower level are correct.

Internal Audit Mechanism is used as an important element to ensure good governance of NCC Bank Limited. Internal Audit Activity of NCC Bank Limited is effective and it provides a number of important services to senior management. These include detecting and preventing fraud, testing internal control, and monitoring compliance with own policies & procedures, applicable rules & regulations, instructions/guidelines of regulatory authority etc.

During the period 2016, ICCD conducted inspection on many of the Branches/Divisions of Head Office of the Bank and submitted reports and presented the findings of the audits/inspections. Necessary control measures and corrective actions have been discussed in the meetings of the Audit Committee of the Board and necessary steps have been taken according to the decision of the Committee for correct functioning of Internal Controls & Compliance.

c) Fraud & forgeries

The increasing wave of fraud and forgery cases in the banking sector in recent time calls for concerted steps in identifying ways for reducing or preventing frauds and forgeries by analyzing the causes and effect of frauds and forgeries, and prescribing effective control strategies for salvaging frauds in the banking sector. NCC Bank does always pay due attention on anti-fraud internal controls for prevention of fraud and forgery. The Bank has already implemented some strategies like Financial Control Strategy, Personnel Control Strategy, Accounting Control Strategy, Credit Control Strategy, Cost Control Strategy, Administrative Control Strategy, Process Control Strategy etc. in order to strengthening the control system further. Although it is not possible to eliminate all frauds because of the inherent limitations of Internal Control System, the Board of Directors and management have taken all the measures to keep the operational risk in a very minimum level. Internal Control and Compliance Division (ICCD) assesses and evaluates the effectiveness of Bank's anti-fraud internal control measures, recommends for further improvement in implementation of aforesaid strategies and reports to the Bangladesh Bank of effectiveness of controls at the end of each quarter following their prescribed format.

3 Audit committee

The Audit Committee of the Board of Directors of the Bank formed in accordance with Bangladesh Bank's BRPD circular No. 11 dated 27 October 2013 and SEC Notification no. SEC/CMRRCD/2006-158/129/Admin/44 dated August 7, 2012 on corporate Governance, the current committee is constituted with the following members of the Board as on 31 December 2016:

Sl. No.	Name	Status with the Bank	Status with the committee	Educational qualifications
1.	Mr. Md. Amirul Islam, FCS, FCA	Independent Director	Chairman	B.Com.(Hons), M.Com.,DAIBB, FCS, FCA
2.	Mr. Md. Abul Bashar	Director	Member	B.S. (MIS), USA
3.	Mr. Md. Harunur Rashid	Director	Member	M.A.
4.	Mr. Khairul Alam Chaklader	Director	Member	B.Com.
5.	Mr. K. A. M. Haroon	Independent Director	Member	B.Sc.Engg.

During the year, the Audit Committee of the Board conducted 14 (Fourteen) meetings in which the important issues were discussed/reviewed. (Refer to the report of the Board Audit committee for details).

4 General

4.1 Number of employees

Number of employees at December 31, 2016 was 2,310; (2015: 2,296) who were in receipt of remuneration for that year which in the aggregate was not less than Tk. 36,000 per annum and those employed for a part of that year who were also in receipt of remuneration of not less than **Tk.3,000** per month.

4.2 Figures appearing in these financial statements have been rounded off to the nearest Taka.

Previous year's figures, whenever considered necessary, have been rearranged and restated in order to conform to current year's presentation.

Stock of Travelers' Cheques, Shanchaya patras are not reflected as off-balance sheet items in the financial statements.

5 Cash	31.12.2016 Taka	31.12.2015 Taka
Cash in hand (Including foreign currencies)		
Conventional banking		
Local currency	1,326,717,955	1,185,707,219
Foreign currencies	9,367,107	5,901,798
	1,336,085,062	1,191,609,017
Off-shore banking unit	-	-
	1,336,085,062	1,191,609,017
Balance with Bangladesh Bank and its agent bank (s)		
Conventional banking		
Local currency	8,634,124,656	7,452,249,194
Foreign currencies	132,712,829	326,195,859
	8,766,837,485	7,778,445,053
Sonali Bank Ltd. as agent of Bangladesh Bank (Local currency)-**note 5.1**	343,843,665	306,553,241
	9,110,681,150	8,084,998,294
Off-shore banking unit	-	-
	9,110,681,150	8,084,998,294
	10,446,766,212	**9,276,607,311**

5.1 Sonali Bank Ltd. as agent of Bangladesh Bank (Local currency)		
Cox's bazar branch	22,101,085	6,166,554
Feni branch	60,317,286	35,160,585
Laxmipur branch	27,915,913	21,348,459
Moulvibazar branch	10,834,570	1,375,035
Jessore branch	571,508	8,466,301
Chaumuhani branch	21,112,565	84,134
Madaripur branch	1,208,303	11,112,063
Chakaria branch	776,594	758,660
Comilla branch	6,609,518	46,446,677
Joydevpur branch	850,434	224,012
Mymensingh branch	18,264,058	52,766,798
Tangail branch	5,349,472	57,052,217
Naogaon branch	27,648,320	5,415,393
Kushtia branch	1,317,371	8,117,401
Narayangonj branch	41,629,655	1,915,953
Brahmanbaria branch	31,864,959	38,322,661
Narsingdi branch	33,647,917	2,458,687
Maijdee branch	16,340,541	8,604,296
Dinajpur branch	15,483,596	757,355
	343,843,665	**306,553,241**

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

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Banking Companies Act, 1991, DOS circular no.01 dated 19 January 2014 and MPD circular no. 01 dated 23 June 2014. The cash reserve requirement of the Bank's based on time and demand liabilities at the rate of 6.50% has been calculated and maintained with Bangladesh Bank in current account and 13% Statutory Liquidity ratio on same liabilities has also been maintained in the form of treasury bills, treasury bonds and debenture including FC balance with Bangladesh Bank. Both the reserves maintained by the Bank are in excess of the statutory requirements as shown below:

		31.12.2016 Taka	31.12.2015 Taka
5.3	**Cash Reserve Requirement (CRR)**		
	Required reserve	8,441,984,120	7,383,762,048
	Actual reserve held	8,634,124,656	7,452,249,194
	Surplus/ (deficit)	**192,140,536**	**68,487,146**
5.4	**Statutory Liquidity Ratio (SLR)**		
	Required reserve	16,883,968,215	14,767,524,100
	Actual reserve held	22,933,300,819	21,595,681,011
	Surplus/ (deficit)	**6,049,332,604**	**6,828,156,911**
	Total required reserve	25,325,952,335	22,151,286,148
	Actual reserve held	31,567,425,475	29,047,930,205
	Total surplus	**6,241,473,140**	**6,896,644,057**
5(a)	**Consolidated cash**		
	Cash in hand		
	NCC Bank Limited **(Note-5)**	1,336,085,062	1,191,609,017
	NCCB Securities and Financial Services Limited	34,460	32,417
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		1,336,119,522	1,191,641,434
	Balance with Bangladesh Bank and its agent bank(s)		
	NCC Bank Limited **(Note-5)**	9,110,681,150	8,084,998,294
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		9,110,681,150	8,084,998,294
		10,446,800,672	**9,276,639,728**
6	**Balance with other banks and financial institutions**		
	In Bangladesh **(Note -6.1)**		
	Conventional banking	4,573,736,592	3,958,039,968
	Off-shore banking unit	-	-
		4,573,736,592	3,958,039,968
	Outside Bangladesh **(Note-6.2)**		
	Conventional banking	320,163,940	219,365,784
	Off-shore banking unit	51,163,109	50,899,365
		371,327,049	270,265,149
		4,945,063,641	**4,228,305,117**

		31.12.2016 Taka	31.12.2015 Taka
6.1	**In Bangladesh**		
	Conventional banking		
	Current account		
	Sonali Bank Limited	28,136,274	19,102,936
	Islami Bank Bangladesh Limited	63,378	227,904
	Trust Bank Limited	3,171,048	6,573,985
	Standard Chartered Bank	6,837,608	8,836,839
	Dutch Bangla Bank Limited	125,752	39,671
	Rupali Bank Limited	25,257,505	27,724,245
	EXIM Bank Limited	2,555,582	2,546,098
	First Security Islami Bank Limited	575,804	564,454
	Shahjalal Islami Bank Limited	575,448	558,023
	Eastern Bank Limited	500,000	-
	Bangladesh Commerce Bank Limited	1,132,184	1,104,341
	Social Islami Bank Limited	570,347	557,163
	BRAC Bank Limited	1,019,187	1,034,187
		70,520,117	68,869,846
	Special notice deposit account		
	Janata Bank Limited	2,110,401	12,722
	Dutch Bangla Bank Limited	604,074	27,913
	United Commercial Bank Limited	500,000	560,201
		3,214,475	600,836
	Fixed deposit account		
	ICB Islamic Bank Limited	2,000	8,569,286
	Standard Bank Limited	1,000,000,000	1,000,000,000
	Dhaka Bank Limited	-	500,000,000
	Southeast Bank Limited	-	500,000,000
	AB Bank Limited	-	500,000,000
	Commercial Bank of Ceylon	-	230,000,000
	One Bank Limited	-	1,000,000,000
	The Premier Bank Limited	300,000,000	-
	Modhumoti Bank Limited	200,000,000	-
	National Bank Limited	500,000,000	-
	Meghna Bank Limited	200,000,000	-
	Jamuna Bank Limited	1,000,000,000	-
	BRAC Bank Limited	1,000,000,000	-
	NRB Bank Limited	200,000,000	-
	National Bank of Pakistan	100,000,000	150,000,000
		4,500,002,000	3,888,569,286
		4,573,736,592	3,958,039,968
	Off-shore banking unit	-	-
		4,573,736,592	3,958,039,968
6.2	**Outside Bangladesh (NOSTRO Accounts)**		
	Conventional banking		
	Current account (non-interest bearing)		
	The Bank of Tokyo Mitsubishi UFJ Ltd, Japan	639	1,129,210
	Standard Chartered Bank, Tokyo	1,392,951	1,120,402
	Wells Fargo Bank, NA	9,069,874	-
	United Bank Limited, Karachi	6,541,419	8,604,483
	AXIS Bank Limited, Kolkata	18,289,885	810,995
	Nepal Bangladesh Bank Ltd., Nepal	3,118,309	10,929,290
	Sonali Bank (UK) Limited, London	73,322	32,308,460

	31.12.2016 Taka	31.12.2015 Taka
Bank of Bhutan, Phuentsholing	2,105,805	3,304,573
Habib Metropolitan Bank, Pakistan	3,134,247	25,542,098
Unicredit Spa, Milan	17,168,432	9,692,703
Commerzbank AG, Frankfurt Am Main	6,163	-
Nations Trust Bank Plc, Colombo	6,896,159	1,953,574
Standard Chartered Bank, London	374,372	48,662,861
ICICI Bank Limited, Kolkata	59,726	2,104,470
ICICI Bank Limited	19,037	-
Tokyo Mitsubishi, Kolkata	239	-
Mashreq Bank Psc, Mumbai	29,518,704	-
Mashreq Bank Psc. New York	46,581	-
Standard Chartered Bank, Singapore	19,513,485	2,926,931
Standard Chartered Bank, Kolkata	46,285,057	13,079,280
Sonali Bank Limited, Kolkata	2,034,198	15,320,995
Standard Chartered Bank, Frankfurt	13,819,812	7,431,479
	179,468,415	184,921,804
Current account (interest bearing)		
Westpac Banking Corporation, Sydney	1,212,602	1,255,203
Citibank N.A., New York	24,583,094	33,188,777
Standard Chartered Bank, New York	114,899,829	-
	140,695,525	34,443,980
	320,163,940	219,365,784
Off-shore banking unit (Habib American Bank, NY)	51,163,109	50,899,365
(Annexure 'A' may kindly be seen for details)	**371,327,049**	**270,265,149**

6.3 Balance with other banks and financial institutions (according to remaining maturity grouping) payable :

Payable on demand	4,441,849,166	340,212,495
Up to one month	3,214,475	2,830,600,836
Over one month but not more than three months	500,000,000	1,058,569,286
Over three months but not more than six months	-	-
Over six months but not more than one year	-	-
Over one year but not more than five years	-	-
Over five years	-	-
	4,945,063,641	**4,229,382,617**

6(a) Consolidated balance with other banks and financial institutions

In Bangladesh		
NCC Bank Limited **(Note-6.1)**	4,573,736,592	3,958,039,968
NCCB Securities and Financial Services Limited	238,996,715	181,809,636
NCCB Capital Limited	258,528,839	258,545,104
NCCB Exchange (UK) Limited	-	-
	5,071,262,146	4,398,394,708
Less: Inter company transactions	424,206,712	402,846,468
	4,647,055,434	3,995,548,240
Outside Bangladesh		
NCC Bank Limited **(Note-6.2)**	371,327,049	270,265,149
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	371,327,049	270,265,149
	5,018,382,483	**4,265,813,389**

		31.12.2016 Taka	31.12.2015 Taka
7	**Money at call and short notice**		
	Banking company	-	-
	Non-banking financial institutions	-	-
		-	-
8	**Investments**		
	Government securities **(Note-8.1)**	21,253,372,092	20,035,094,753
	Other investments **(Note-8.2)**	2,704,791,792	1,422,497,335
		23,958,163,884	**21,457,592,088**
8.1	**Government securities**		
	Conventional banking		
	Treasury bills		
	91 days treasury bills	-	-
	182 days treasury bills	-	-
	364 days treasury bills	-	347,767,839
		-	347,767,839
	Bangladesh Bank bill	5,796,023,899	-
	Treasury bonds		
	2 years treasury bonds	-	91,704,985
	5 years treasury bonds	3,844,281,477	7,429,990,964
	10 years treasury bonds	4,996,317,012	5,656,527,074
	15 years treasury bonds	3,319,892,642	3,195,893,499
	20 years treasury bonds	3,287,978,962	3,307,598,192
		15,448,470,093	19,681,714,714
	Prize bonds	8,878,100	5,612,200
		21,253,372,092	20,035,094,753
	Off-shore banking unit	-	-
		21,253,372,092	**20,035,094,753**
8.2	**Other investments**		
	Conventional banking		
	Commercial Paper		
	The City Bank Limited	500,000,000	-
	Dhaka Bank Limited	250,000,000	-
	Prime Bank Limited	200,000,000	-
		950,000,000	-
	Debenture & bond		
	Dhaka Bank subordinated bond	20,000,000	35,000,000
	National Bank subordinated bond	20,480,000	25,600,000
	Mutual Trust Bank subordinated bond	20,000,000	30,000,000
	UCBL subordinate bond	200,000,000	200,000,000
	Beximco pharmaceuticals (Debenture)	60,570	60,570
		260,540,570	290,660,570
	Investment in shares **(Note-8.6)**	1,894,648,553	1,616,293,179
	Less: Provision for investment fluctuation in shares **(Note-8.3)**	(400,397,331)	(484,456,414)
		1,494,251,222	1,131,836,765
		2,704,791,792	1,422,497,335
	Off-shore banking unit	-	-
		2,704,791,792	**1,422,497,335**

	31.12.2016 Taka	31.12.2015 Taka
8.3 Provision for investment fluctuation in shares		
Opening balance	484,456,414	495,377,836
Add: Provision made during the year	-	66,873,799
Less: Amount adjusted during the year	(84,059,083)	(77,795,221)
Closing balance	**400,397,331**	**484,456,414**
8.3 (a) Consolidated provision for investment fluctuation in shares charged to profit and loss account		
NCC Bank Limited- **(Note-8.3)**	(84,059,083)	66,873,799
NCCB Securities and Financial Services Limited	781,286	7,770,647
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	(83,277,797)	**74,644,446**
8.4 Investment classified as per Bangladesh Bank circular		
Held for Trading (HFT)	5,807,223,714	679,434,728
Held to Maturity (HTM)	15,437,270,278	19,350,047,825
Other securities	2,713,669,892	1,428,109,535
	23,958,163,884	**21,457,592,088**
8.5 Maturity grouping of investments		
On demand	1,494,251,222	1,102,301,101
Up to one month	6,244,901,999	400,000,000
Over one month but not more than three months	750,000,000	1,117,595,862
Over three months but not more than six months	-	579,343,207
Over six months but not more than one year	262,661,477	2,470,342,444
Over one year but not more than five years	7,998,402,164	6,627,727,580
Over five years	7,207,947,022	9,160,281,894
	23,958,163,884	**21,457,592,088**
8.6 Investment in shares		
Quoted		
AB Bank Limited	6,219,000	6,219,000
Advance Chemical Industries Limited	38,785,319	26,444,239
Agrani Insurance Co. Limited	8,774,040	8,774,040
Al-Arafah Islami Bank Limited	71,392,368	71,392,368
Asia Insurance Limited	5,809,122	5,809,122
Asia Pacific General Insurance Limited	30,603,248	30,603,248
Bangladesh Auto Cars Limited	1,965	223,907
Bangladesh General Insurance Co. Limited	5,392,872	5,392,872
Bank Asia Limited	28,890,612	24,427,686
Bata Shoe Co. (BD) Limited	3,368,950	3,368,950
Bay Leasing & Investment Limited	66,145,144	66,145,144
Beximco Limited	4,872,875	4,872,875
Bangladesh Submarine Cable Company Limited	25,969,818	25,969,818
BSRM Steels Limited	9,324,638	6,002,036
Confidence Cement Limited	-	5,298,842
Dacca Dyeing & Manufacturing Co. Limited	6,540,520	6,540,520
Dhaka Electric Supply Company Limited	72,012,264	72,012,264
Eagle Star Textile Mills Limited	4,227,951	4,227,951
Eastern Bank Limited	10,382,818	9,047,975
Eastland Insurance Limited	-	9,391
Envoy Textiles Limited	5,739,322	-
EXIM Bank Limited	-	108,325
Fareast Life Insurance Co. Limited	6,922,554	6,922,554

	31.12.2016 Taka	31.12.2015 Taka
Family Textile (BD) Limited	1,572,746	1,572,746
First Lease Finance & Investment Limited	1,178,613	1,178,613
Fortune Shoes Limited	100,630	-
GBP Power Limited	3,960,512	3,960,512
GPH Ispat Limited	7,386,302	8,112,302
Grameenphone Limited	22,635,437	22,635,437
Green Delta Insurance Co. Limited	16,038,868	16,038,868
Investment Corporation of Bangladesh	18,066,701	13,779,636
ICB Islamic Bank Limited	2,624,656	2,624,656
IDLC Finance Limited	25,566,544	25,566,544
Islami Bank Bangladesh Limited	-	102,675
Jamuna Bank Limited	18,278,045	18,278,045
Jamuna Oil Company Limited	38,446,269	38,446,269
Karnaphuli Insurance Company Limited	5,789,881	5,789,881
Khulna Power Co. Limited	21,628,851	15,012,113
Lafarge Surma Cement Limited	4,598,238	4,598,238
Lanka Bangla Finance Limited	81,920,858	81,920,858
Maksons Spinning Mills Limited	6,576,456	6,576,456
Meghna Petroleum Limited	17,750,513	17,750,513
Mercantile Bank Limited	4,152,810	4,152,810
Mercantile Insurance Co. Limited	19,321,039	19,321,039
MI Cement Factory Limited	3,221,416	445,948
MJL Bangladesh Limited	7,264,320	7,264,320
National Bank Limited	25,531,210	25,531,210
Navana CNG Limited	53,162,602	53,162,602
Olympic Industries Limited	12,390,377	2,310,739
Padma Oil Company Limited	10,866,255	10,866,255
Peoples Leasing and Financial Services Limited	36,134,880	36,134,880
Phoenix Finance and Investment Limited	6,168,182	6,168,182
Power Grid Co. of Bangladesh Limited	1,731,905	1,731,905
Premier Leasing & Finance Limited	12,800,426	12,800,426
Prime Bank Limited	-	12,506
Prime Islami Life Insurance Company Limited	357,126	357,126
Prime Textile Spinning Mills Limited	598,840	598,840
Pubali Bank Limited	32,877,219	32,877,219
R.N. Spinning Mills Limited	50,171,728	50,171,728
Rupali Insurance Limited	9,892,089	9,892,089
Shahjalal Islami Bank Limited	17,854,098	17,854,098
Saiham Textile Mills Limited	1,193,306	1,193,306
South East Bank Limited	34,017,583	33,134,063
Square Pharmaceuticals Limited	14,110,660	23,504,006
Square Textiles Limited	36,097,311	36,097,311
Standard Bank Limited	-	88,057
Summit Alliance Port Limited	17,053,007	9,173,814
Summit Power Limited	61,407,660	61,407,660
Tallu Spinning Mills Limited	-	366,835
Titas Gas Transmission & Distribution Co. Limited	90,355,186	90,355,186
Union Capital Limited	2,665,589	2,665,589
Unique Hotel & Resorts Limited	31,553,613	31,553,613
United Airways (BD) Limited	33,362,945	33,362,945
Uttara Bank Limited	9,018,594	9,018,594
Yeakin Polymer Limited	10,373	-
	1,340,837,870	1297,332,390

	31.12.2016 Taka	31.12.2015 Taka
Un-quoted		
Central Depository Bangladesh Limited (CDBL)	3,138,890	3,138,890
Bangladesh Rating Agency Limited	4,165,900	4,165,900
SWIFT	2,843,073	2,843,073
MSF Asset Management Company	2,000,000	2,000,000
Summit Purbanchal Power Company Limited	-	3,000,000
Star Ceramics Limited	100,000,000	-
Summit Barisal Power Limited	140,000,000	-
Summit Uttaranchal Power Company Limited	-	2,000,000
Venture Investment Partner Bangladesh Limited	18,000,000	18,000,000
	270,147,863	35,147,863
Mutual fund		
Green Delta Mutual Fund	24,097,776	24,097,776
NCCBL Mutual Fund-1	47,979,044	47,979,044
MBL 1st Mutual Fund	10,000,000	10,000,000
NCCBL Mutual Fund-1	150,000,000	150,000,000
South East Bank 1st Mutual Fund	30,909,091	30,909,091
Trust Bank 1st. Mutual Fund	1,520,970	1,520,970
NLI 1st Mutual Fund	19,155,939	19,306,045
	283,662,820	283,812,926
(Annexure 'B' may kindly be seen for details)	**1,894,648,553**	**1,616,293,179**
8 (a) Consolidated investments		
Government securities		
NCC Bank Limited **(Note-8.1)**	21,253,372,092	20,035,094,753
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	21,253,372,092	20,035,094,753
Other investments		
NCC Bank Limited **(Note-8.2)**	2,704,791,792	1,422,497,335
NCCB Securities and Financial Services Limited	57,344,833	68,062,785
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	2,762,136,625	1,490,560,120
	24,015,508,717	**21,525,654,873**
9 Loans and advances		
Loans, cash credits, overdrafts etc.**(Note-9.1)**	121,594,172,870	101,775,003,921
Bills purchased and discounted **(Note-9.2)**	4,409,306,459	3,079,721,609
	126,003,479,329	**104,854,725,530**
9.1 Loans, cash credits, overdrafts etc.		
Inside Bangladesh		
Conventional banking		
Overdraft	22,746,210,011	16,818,678,489
Cash credit	21,655,944,088	19,387,132,066
Loan - general	1,165,843,063	1,572,206,896
Transport loan	468,632,267	339,615,798
House building loan	2,388,264,429	1,809,787,674
Loan against trust receipt (LTR)	9,982,028,608	11,158,284,051
Loan against imported merchandise (LIM)	82,698,032	137,541,692
Temporary business loan	-	1,004,876,111
Loan against packing credit	222,704,605	158,198,968
Project loan	50,877,308	52,037,008

	31.12.2016 Taka	31.12.2015 Taka
Demand loan	31,902,273	1,193,755,224
Lease finance	1,767,481,512	1,214,686,861
Payment against document	304,227,995	420,568,241
Consumer finance scheme	378,696	445,696
Housing loan under B. Bank refinance scheme	18,633,237	22,175,903
Staff loan	594,262,537	593,539,383
Marriage loan	18,740,209	-
Consumer loan	27,459,505	-
Small business loan	666,666,814	738,847,120
House renovation loan	4,668,328	8,295,090
Personal loan scheme	6,545,025	9,942,704
Term loan (small, medium & large)	28,890,373,027	22,260,819,760
Time loan	9,088,974,896	10,295,243,882
Agricultural credit	1,937,366,127	1,919,666,267
Festival loan	35,978,007	47,017,338
Special housing loan	1,168,498,200	1,180,654,458
Credit card	447,732,068	464,344,875
Forced loan	1,520,735,454	1,374,966,222
Short term loan	14,976,943,279	6,753,372,699
Retail loan	194,080,201	158,720,017
NCCB- Garments wear & foot wear cluster	13,988,563	18,003,371
Loan against EDF	1,109,877,868	655,101,566
Loan against financial inclusion	4,794,210	5,100,608
Education loan scheme	662,431	1,377,885
	121,594,172,870	101,775,003,921
Off-shore banking unit	-	-
	121,594,172,870	101,775,003,921
Outside Bangladesh		
Conventional banking	-	-
Off-shore banking unit	-	-
	121,594,172,870	101,775,003,921
9.2 Bills purchased and discounted		
Inside Bangladesh		
Conventional banking		
Inland bills purchased	83,656	83,656
Local documentary bills purchased	1,883,233,577	1,895,200,173
	1,883,317,233	1,895,283,829
Off-shore banking unit	-	-
	1,883,317,233	1,895,283,829
Outside Bangladesh		
Conventional banking		
Foreign bills purchased	-	-
Foreign documentary bills purchased	86,716,403	65,534,673
	86,716,403	65,534,673
Off-shore banking unit	2,439,272,823	1,118,903,107
	2,525,989,226	1,184,437,780
	4,409,306,459	3,079,721,609
	126,003,479,329	**104,854,725,530**

		31.12.2016 Taka	31.12.2015 Taka
9.3	**Net loans and advances**		
	Gross loans and advances	126,003,479,329	104,854,725,530
	Less: Provision for loans and advances	4,291,861,822	4,021,340,788
	Interest suspense	1,923,576,313	1,719,322,140
		6,215,438,135	5,740,662,928
		119,788,041,194	**99,114,062,602**
9.4	**Residual maturity grouping of loans and advances including bills purchased and discounted**		
	Repayable on demand	31,902,273	1,193,755,224
	Up to one month	37,542,233,649	18,077,140,298
	Over one month but not more than three months	25,150,778,409	19,901,578,892
	Over three months but less than one year	31,261,566,093	30,853,460,137
	Over one year but less than five years	22,816,072,277	29,572,118,562
	Above five years	9,200,926,628	5,256,672,418
		126,003,479,329	**104,854,725,530**
9.5	**Loans and advances including bills purchased and discounted classified into the following broad categories**		
	In Bangladesh:		
	Loans	77,192,018,771	65,569,193,366
	Cash credit	21,655,944,088	19,387,132,066
	Overdraft	22,746,210,011	16,818,678,489
	Bills purchased & discounted	1,883,317,233	1,895,283,829
		123,477,490,103	103,670,287,750
	Outside Bangladesh		
	Bills purchased & discounted	2,525,989,226	1,184,437,780
		126,003,479,329	**104,854,725,530**
9.6	**Loans and advances on the basis of significant concentration including bills purchased and discounted classified into the following broad categories**		
	I) Advances to allied concerns of Directors of the Bank	134,632,000	133,330,000
	II) Advances to chief executive and other senior executives of the Bank	83,869,350	49,721,588
	III) Advances to customers' group-wise clients		
	a) Agricultural loans	2,011,013,525	2,268,285,983
	b) Export financing	4,388,383,790	4,445,859,582
	c) Import financing	18,900,611,134	23,866,074,597
	d) Transport and communication	370,161,358	1,707,223,506
	e) Commercial lending	19,494,624,375	17,893,841,570
	f) House building loan	5,905,667,060	4,697,439,581
	g) Staff loans other than chief executive and other senior executives	510,393,187	543,817,796
	h) Others including bills purchased and discount	16,303,059,438	12,880,207,678
		67,883,913,867	68,302,750,293
	IV) Industrial loans (including working capital) (**note 9.6(a)**)	57,901,064,112	36,368,923,649
		126,003,479,329	**104,854,725,530**

	31.12.2016 Taka	31.12.2015 Taka
9.6(a) Industrial loans (including working capital)		
Agro based industries	6,239,390,625	4,576,097,161
Textile industries	3,252,783,726	2,133,421,070
Food and allied industries	2,578,547,953	1,569,056,658
Pharmaceutical industries	1,020,802,676	823,742,464
Leather, chemical, cosmetics, etc.	2,958,553,283	1,919,073,863
Cement and ceramic industries	788,952,379	764,654,462
Service industries	9,152,104,412	6,056,169,530
Transport and communication industries	1,305,013,250	1,155,363,827
Other industries	30,604,915,808	17,371,344,614
	57,901,064,112	**36,368,923,649**
9.7 Number of clients with outstanding amount and classified loans and advances exceeding 10% of total capital of the Bank.		
Number of the clients	14	13
Amount of outstanding advances	25,688,200,000	22,443,700,000
Amount of classified advances	-	-
Measures taken for recovery	-	-
(Annexure 'C' may kindly be seen for details)		
9.8 Loans and advances on the basis of geographical location wise		
Urban		
Dhaka Division	81,107,064,525	64,997,390,138
Chittagong Division	28,131,938,222	25,076,029,182
Rajshahi Division	1,877,372,905	1,127,172,497
Rangpur Division	1,217,803,341	550,006,333
Sylhet Division	1,634,133,636	1,604,554,924
Khulna Division	1,846,921,176	2,831,770,940
Barisal Division	293,103,584	192,221,842
Mymensingh Division	335,769,883	346,308,257
	116,444,107,272	96,725,454,113
Rural		
Dhaka Division	3,379,021,882	2,967,925,600
Chittagong Division	4,312,468,367	3,600,553,203
Rajshahi Division	241,763,776	157,109,827
Rangpur Division	584,808,298	466,021,546
Sylhet Division	711,369,130	669,766,550
Khulna Division	143,123,748	116,133,067
Mymensingh Division	186,816,856	151,761,624
	9,559,372,057	8,129,271,417
	126,003,479,329	**104,854,725,530**
9.9 Classification of loans and advances		
Unclassified standard (including staff loans)	118,662,908,990	96,510,269,604
Unclassified special mention account	66,563,727	934,501,697
Sub-standard	198,950,158	236,069,007
Doubtful	1,080,962,794	604,586,475
Bad/Loss	5,994,093,660	6,569,298,747
	126,003,479,329	**104,854,725,530**

9.10 Particulars of required provision for loans and advances

Status	Base for provision	Rate (%)		
A. General provision				
Conventional banking				
Un-classified loans and advances	116,223,636,167	* Various	979,052,550	843,125,634
Special mention account	66,563,727	do	660,961	8,550,429
	116,290,199,894		979,713,511	851,676,063
Off-shore banking unit	2,439,272,823	1.00%	24,392,728	11,189,031
	118,729,472,717		**1,004,106,239**	**862,865,094**

* General provision is kept @ 1% on general loans and advances and 0.25% on small and medium enterprise financing, 2% on certain other types of lending and 5% on consumer financing.

	Base for provision	Rate (%)	231.12.016 Taka	31.12.2015 Taka
B. Specific provision				
Conventional banking				
Sub-standard - general	154,362,633	20	30,872,527	17,718,395
Sub-standard - agricultural	1,360,329	5	68,016	97,249
Doubtful	649,110,612	50	324,555,306	106,182,547
Doubtful - Agricultural	100,630	5	5,032	-
Bad/ Loss	2,956,360,113	100	2,956,360,113	3,045,666,534
	3,761,294,317		3,311,860,994	3,169,664,725
Off-shore banking unit				
Specific provision				
Sub-standard	-	20	-	-
Doubtful	-	50	-	-
Bad/ Loss	-	100	-	-
	-		-	-
	3,761,294,317		**3,311,860,994**	**3,169,664,725**
Required provision for loans and advances			**4,315,967,233**	**4,032,529,819**
Total provision maintained			4,316,254,550	4,032,529,819
Excess /(short) provision			**287,317**	-

Particulars of required provision on off -balance sheet exposure

Conventional banking

	Base for provision	Rate (1%)	
Acceptance and endorsements	12,268,815,139	122,688,151	114,923,484
Letter of guarantee	17,877,420,213	178,774,202	137,694,013
Letter of credit	11,183,881,376	111,838,814	89,881,526
Others	10,160,692	101,607	30,357
		413,402,774	342,529,381
Off-shore banking unit		-	-
Required provision on off -balance sheet exposure		**413,402,774**	**342,529,381**
Total provision maintained (note-14.6)		**413,402,774**	**345,215,700**
Excess/ (short) provision		**-**	**2,686,319**

9.11	**Particulars of loans and advances**		
i)	Loans considered good in respect of which the bank is fully secured	69,822,282,441	58,103,127,788
ii)	Loans considered good against which the bank holds no other security other than the debtor's personal guarantee	12,936,629,435	10,765,311,688
iii)	Loans considered good and secured by the personal security of one or more parties in addition to the personal guarantee of the debtors	43,244,567,453	35,986,286,054
iv)	Loans considered doubtful or bad not provided for	-	-
		126,003,479,329	**104,854,725,530**
*v)	Debts due by directors or officers of the bank or any of them either severally or jointly with any other persons	**594,262,537**	**593,539,384**
	*** Amount represents loans to employees of the Bank only.**		
vi)	Debts due by companies or firms in which the directors of the Bank are interested as directors, partners or managing agent or in case of private companies as members	**134,632,000**	**133,330,000**

		31.12.2016 Taka	31.12.2015 Taka
vii)	Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the bank or any of them either severally or jointly with any other persons.	**594,262,537**	**660,335,370**
viii)	Maximum total amount of advances, including temporary advances, granted during the year to the companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in case of private companies as members.	**134,632,000**	**133,330,000**
ix)	Due from banking companies	-	-
x)	Amount of classified loans for which interest/profit not credited to income	**7,274,006,612**	**7,409,954,229**
	a) Increase/(decrease) of provision (specific) during the year	142,483,586	464,512,824
	b) Amount of provision kept against the amount classified as bad/loss at the Balance Sheet preparing date.	**2,956,360,113**	**3,045,666,534**
	c) Amount of interest charged in interest suspense account	**1,923,576,313**	**1,719,322,140**
xi)	Cumulative amount of written off debt		
	Opening balance	4,707,999,356	3,884,987,676
	Add: Amount of debt written off during the year	830,537,688	823,011,680
	Closing balance	**5,538,537,044**	**4,707,999,356**
	Recoveries of amount previously written off loan during the year	**16,485,152**	**14,573,045**
xii)	Amount of written off debt against which law suit has been filed for its recovery during the year	**830,537,688**	**823,011,680**

9.12 Outstanding bad & loss loans to be written off

Bangladesh Bank issued a circular no.02 dated 13 January 2003 instructing all banks in the country to write off bad & loss loans which have passed five years after its classification and legal actions have been taken against all those default borrowers with an immediate effect. In compliance with the circular, the Bank formed a Debt Collection Unit in its Head Office from where monitoring has been made accordingly. During the year, the Bank allowed write off amounting to Tk. 83,05,37,688/- against which legal actions have been lying with the money suit court. In this connection, branches have been maintained a separate ledger for all individual cases. The debt collection unit will follow-up the realization of such debts in future also and time to time a progress report to be given to the management by the branches.

9.13 Bills purchased and discounted

a)	Payable		
	In Bangladesh	1,883,317,233	1,895,283,829
	Outside Bangladesh	2,525,989,226	1,184,437,780
		4,409,306,459	**3,079,721,609**
b)	**Bills purchased & discounted on the basis of the residual maturity grouping Payable**		
	Within one month	1,585,501,050	850,422,500
	Over one month but less than three months	1,343,548,538	1,819,997,363
	Over three months but less than six months	931,566,720	408,915,855
	Over six months	548,690,150	385,891
		4,409,306,459	**3,079,721,609**

	31.12.2016 Taka	31.12.2015 Taka
9 (a) Consolidated loans and advances		
Loans, cash credits, overdrafts etc.		
NCC Bank Limited **(Note-9.1)**	121,594,172,870	101,775,003,921
NCCB Securities and Financial Services Limited.	4,846,166,992	5,000,937,450
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	126,440,339,862	106,775,941,371
Less : Inter company transactions	1,779,578,742	1,884,162,092
	124,660,761,120	104,891,779,279
Bills purchased and discounted		
NCC Bank Limited **(Note-9.2)**	4,409,306,459	3,079,721,609
NCCB Securities and Financial Services Limited.	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	4,409,306,459	3,079,721,609
Less : Inter company transactions	-	-
	4,409,306,459	3,079,721,609
	129,070,067,579	**107,971,500,888**
10 Fixed assets including premises, furniture and fixtures		
Conventional banking **(Note-10.1)**	2,500,129,703	2,628,177,518
Off-shore banking unit **(Note-10.2)**	-	-
	2,500,129,703	**2,628,177,518**
10.1 Fixed assets including premises, furniture and fixtures		
Conventional banking		
Cost/valuation		
Land	451,906,672	451,906,672
Buildings & office premises	1,338,311,564	1,332,825,665
Furniture and fixtures	644,187,122	610,596,227
Machinery and equipment	793,476,212	761,097,047
Computer equipment	385,953,625	381,656,938
Vehicles	131,129,924	123,284,446
Total Cost / valuation	**3,744,965,119**	**3,661,366,995**
Less: Accumulated depreciation	1,244,835,416	1,033,189,478
Net book value at the end of the year	**2,500,129,703**	**2,628,177,518**
(Annexure 'D' may kindly be seen for details)		
10.2 Off-shore banking unit	-	-
10(a) Consolidated fixed assets including premises, furniture and fixture		
NCC Bank Limited **(Note-10)**	2,500,129,703	2,628,177,518
NCCB Securities and Financial Services Limited	14,050,085	13,787,086
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	2,514,179,788	**2,641,964,604**

		31.12.2016 Taka	31.12.2015 Taka
11	**Other assets**		
	Conventional banking (Note-11.1)	4,852,630,066	3,909,007,362
	Off-shore banking unit	-	15,537,425
		4,852,630,066	**3,924,544,787**
11.1	**Conventional banking**		
	Income generating other assets		
	Investment in subsidiaries		
	In Bangladesh		
	NCCB Securities and Financial Services Limited	1,999,999,900	1,999,999,900
	NCCB Capital Limited	249,999,900	249,999,900
		2,249,999,800	2,249,999,800
	Outside Bangladesh	-	-
		2,249,999,800	**2,249,999,800**
	Non-income generating other assets		
	Stationery in hand	32,858,784	8,960,384
	Stamps in hand	3,340,645	3,309,514
	Security deposits	4,050,778	3,865,204
	Advance against rent	175,915,071	175,839,604
	Software	26,346,365	40,817,438
	Prepaid expenses	-	57,200
	ATM adjustment	157,817	162,217
	Visa card SBL	4,962,245	786,934
	Receivable against sale proceeds of shares	19,374,141	15,169,065
	Suspense account **(Note-11.2)**	106,053,766	140,378,949
	Interest receivable **(Note-11.3)**	397,921,345	499,698,497
	Dividend receivable **(Note-11.4)**	19,212,071	9,391,048
	Advance corporate tax **(Note-11.5)**	1,655,103,727	627,600,170
	Others **(Note-11.6)**	157,333,511	132,971,338
		2,602,630,266	1,659,007,562
		4,852,630,066	**3,909,007,362**
11.2	**Suspense account**		
	Encashment sanchaypatra awaiting realization	16,866,862	120,273,949
	Cash remittance	89,180,000	19,200,000
	DD paid without advice	-	5,000
	Clearing adjustment	6,904	900,000
		106,053,766	**140,378,949**
11.3	**Interest receivable**		
	On loans and advances	1,349,885	6,358,144
	On treasury bills/bonds	369,925,733	474,324,610
	On commercial papers	8,519,444	-
	On subordinate bonds	9,740,172	10,160,076
	On bank balances/financial institutions/Others	8,386,111	8,855,667
		397,921,345	**499,698,497**

	31.12.2016 Taka	31.12.2015 Taka
11.4 Dividend receivable		
Dividend Receivable from NCCB Securities and Financial Services Limited	-	-
Dividend receivable from listed companies	19,212,071	9,391,048
	19,212,071	**9,391,048**
11.5 Advance corporate tax		
Advance tax at source on treasury bills/ bonds	113,924,149	97,140,517
Advance tax at source on dividend	22,655,742	9,684,346
Advance tax at source on bank interest	20,664,314	8,222,156
Advance income tax deposited by Bank	1,483,864,554	505,052,988
5% Advance income tax paid on L/C commission	13,994,968	7,500,163
	1,655,103,727	**627,600,170**
11.6 Others		
Advance against TA/DA	510,139	284,524
Legal expenses	1,262,554	891,655
Money Gram	3,871,728	5,175,850
Proposed branches expenses	3,840,000	-
Prefunding to TMSS	9,305,799	14,807,525
UAE exchange	31,000	29,000
Sundry debtors	47,514,298	56,934,365
Applied for IPO	30,000,000	-
Trans fast remittance LLC	1,787,519	2,426,615
Protested bill	18,983,735	15,737,491
AFX Fast Remit	826,523	935,049
Prefunding to Ansar -VDP	4,414,207	7,960,716
Xpress Money	2,016,037	2,967,416
Habib Xpress MT	15,022	-
Placid Express	5,084,699	439,211
Continental Exchange Solutions (Ria)	1,802,460	2,807,812
GS Money Transfer, Bedford, UK	120,000	-
ATM Suspense Account	2,012,974	-
Wall Street	251,825	333,519
Japan Remit Finance Co. Ltd.	50,426	718,740
Al Zaman Exchange	-	11,148
IME (M) SDN.BHD.	3,770,672	4,264,471
Majan Exchange	33,000	-
Merchantrade Asia SDN BHD,Malaysia	327,820	-
NCCB sure cash	300	300
Advance for booking money agt.DSE Tower	850,000	850,000
Western Union	6,240,598	6,549,722
NCCB Exchange (UK) Limited	-	780,000
NEC Money Transfer Spain	342,173	2,437,261
NEC Money Transfer Limited. UK	3,249,084	-
Commercial Bank of Ceylon	1,077,500	1,077,500
Arab National Bank	367,199	96,830
National Exchange Company S.r.l	5,741,720	3,753,632
Sigue Global Services Ltd	105,125	20,918
Consolidated CMS Br.POS Trx.	1,009,840	449,500
Others	517,535	230,569
	157,333,511	**132,971,338**

	31.12.2016 Taka	31.12.2015 Taka
11(a) Consolidated other Assets		
NCC Bank Limited **(Note-11)**	4,852,630,066	3,924,544,787
Less: Investment in NCCB Securities and Financial Services Limited **(Note-11.1)**	(1,999,999,900)	(1,999,999,900)
Less: Investment in NCCB Capital Limited **(Note-11.1)**	(249,999,900)	(249,999,900)
Less: Investment in NCCB Exchange (UK) Limited **(Note-11.1)**	-	-
	2,602,630,266	1,674,544,987
NCCB Securities and Financial Services Limited	394,296,599	249,528,005
NCCB Capital Limited	5,156,780	5,156,780
NCCB Exchange (UK) Limited	-	-
	399,453,379	254,684,785
	3,002,083,646	1,929,229,773
Less: Inter company transactions	12,500	-
	3,002,071,146	**1,929,229,773**
12 Borrowing from other banks, financial institutions and agents		
Conventional banking **(Note-12.1)**	5,583,973,428	5,219,487,863
Off-shore banking unit **(Note-12.2)**	1,142,426,442	346,319,259
	6,726,399,870	**5,565,807,122**
12.1 Borrowing from other banks, financial institutions and agents In Bangladesh		
Bangladesh Bank	3,489,598,428	3,458,943,055
SME Foundation	17,500,000	25,000,000
Prime Bank Limited	150,000,000	120,000,000
Dutch Bangla Bank Limited	-	400,000,000
Southeast Bank Limited	996,875,000	-
Trust Bank Limited	550,000,000	-
State Bank of India	380,000,000	370,000,000
Bank Asia Limited	-	200,000,000
Commercial Bank of Ceylon	-	230,000,000
	5,583,973,428	4,803,943,055
Outside Bangladesh:		
Standard Chartered Bank, N.Y	-	289,397,439
Wells Fargo Bank , N.A., New York	-	26,694,108
ICICI Bank Limited, HKK	-	71,771,611
Sonali Bank(UK) Limited, London	-	453,732
Mashreqbank Psc, Mumbai	-	1,359,976
Commerzbank AG, Frankfurt Am Main	-	6,813,939
Mashreq Bank New York	-	19,054,003
	-	415,544,808
(Annexure 'E' may kindly be seen for details)	**5,583,973,428**	**5,219,487,863**
12.2 Off-shore banking unit	**1,142,426,442**	**346,319,259**
12.3 Security against borrowings from other banks, financial institutions and agents		
Conventional banking		
Secured	2,094,375,000	4,803,943,055
Unsecured	3,489,598,428	415,544,808
	5,583,973,428	5,219,487,863
Off-shore banking unit		
Secured	1,142,426,442	346,319,259
Unsecured	-	-
	1,142,426,442	346,319,259
	6,726,399,870	**5,565,807,122**

	31.12.2016 Taka	31.12.2015 Taka
12.4 Borrowings from other banks, financial institutions and agents (according to remaining maturity grouping) payable		
On demand	2,076,875,000	1,320,000,000
Up to one month	1,352,936,239	505,238,289
Over one month but not more than three months	384,475,621	356,209,990
Over three months but less than six months	692,581,671	803,981,958
In more than six months but not more than one year	181,426,953	258,339,802
In more than one year but not more than five years	892,942,266	1,499,495,372
Above five Years	1,145,162,120	822,541,710
	6,726,399,870	**5,565,807,122**
12 (a)Consolidated borrowing from other banks, financial institutions and agents		
NCC Bank Limited **(Note-12)**	6,726,399,870	5,565,807,122
NCCB Securities and Financial Services Limited	1,779,578,742	1,884,162,092
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	8,505,978,612	7,449,969,214
Less: inter company transactions	1,779,578,742	1,884,162,092
	6,726,399,870	**5,565,807,122**
13 Deposits and other accounts		
Current deposits	9,767,090,430	7,952,109,673
Sundry deposits **(Note 13.5)**	4,098,096,334	3,166,619,111
	13,865,186,763	11,118,728,784
Saving deposits	18,732,883,987	15,519,149,153
Fixed deposits	50,135,024,925	45,151,188,780
Term deposits:		
Special notice deposits	14,356,110,832	8,866,436,701
Special savings scheme	17,552,260,926	16,421,286,186
Special deposit scheme	3,776,988,971	4,152,107,661
Premium term deposits	-	6,696,096
Money double program	8,575,111,214	8,915,650,853
Money triple program	602,203,962	607,947,745
NFCD Account-GBP	58,515,896	71,737,019
NCCB youngster maximus	8,881,793	8,916,929
	44,930,073,594	39,050,779,190
Bills Payable:		
Payment order (issued)	5,077,229,724	1,834,621,125
Pay slip	-	-
Demand draft	24,473,607	47,743,343
	5,101,703,331	1,882,364,468
	132,764,872,600	**112,722,210,375**
13.1 (a) Demand deposits		
Deposit from banks	1,860,228	-
Deposit from customers	20,652,849,653	14,397,816,676
	20,654,709,881	14,397,816,676
(b) Other deposits		
Deposit from banks		
In fixed deposits accounts	-	-
In other accounts	55,688,642	-
	55,688,642	-
Deposit from customers	112,054,474,077	98,324,393,699
	132,764,872,600	**112,722,210,375**

	31.12.2016 Taka	31.12.2015 Taka
13.2 Deposits and other accounts		
Conventional banking **(Note-13)**	132,764,872,600	112,722,210,375
Off-shore banking unit	-	-
	132,764,872,600	**112,722,210,375**
13.3 Unclaimed block account balances for 10 years & above		
Savings deposits	-	-
Pay order	54,255	10,850
Sundry deposits	-	
	54,255	10,850
13.4 (a) Residual maturity grouping of deposits		
From other banks		
Payable		
On demand	1,860,228	-
Within one month	55,688,642	-
In more than one month but less than six months	-	-
In more than six months but less than one year	-	-
In more than one year but within five years	-	-
In more than five years but within ten years	-	-
	57,548,870	-
(b) From other than banks		
Payable		
On demand	6,785,802,662	14,553,008,167
Within one month	28,484,519,174	4,808,888,444
In more than one month but less than six months	42,082,123,882	24,312,760,163
In more than six months but less than one year	13,100,263,915	28,548,852,090
In more than one year but within five years	35,622,238,796	32,783,066,757
In more than five years but within ten years	6,632,375,302	7,715,634,754
	132,707,323,730	112,722,210,375
	132,764,872,600	**112,722,210,375**
13.5 Sundry deposits		
Sundry creditors	397,200,784	265,405,306
Clearing adjustment	8,537,579	19,612,807
Margin on letters of guarantee	851,804,839	597,268,396
Margin on letters of credit	1,132,772,811	918,309,283
Security deposits against locker	14,807,750	37,040,951
Foreign correspondents charge	16,472	16,472
Credit balance in CC, SOD, loan etc.	310,455,810	187,522,930
Collection account	5,321,851	8,977,253
Sanchaypatras	17,404,371	37,079,371
LDBP, export bill/ proceeds	242,482,706	689,004,318
Security deposit receipts	11,758,080	12,102,324
U.A.E. Exchange	26,000	26,000
FC, FCY retention quota	16,865,980	19,125,214
Cash risk allowance/fund	34,774,912	32,573,545
Three Star Remittance	439,379	439,379
Advance rent on lease finance	39,420,111	41,343,896
Al-Fardan exchange Co.L.L.C.	61,125	77,353
K.M. Financial Services London	2,000	120,510
Arab National Bank (KSA)	245,486	700,388
Wall Street Exchange	-	8,472
Dhaka Janata Express	1,540,469	1,793,246

	31.12.2016 Taka	31.12.2015 Taka
Visa credit card & others	1,181,173	3,322,439
Foreign remittance	17,684,988	45,112,539
Retained commission from remittance	3,110,524	3,437,703
Provident fund	26,302,040	12,038,032
Credit card deposit A/c.	3,580,708	3,549,930
Alternative cash assistance	39,475	89,475
Zenj Exchange	-	4,000
SMS banking charge	8,796,818	10,858,965
National Exchange Co.	2,021	2,021
Al Zaman Exchange	5,049	-
Kushiara Financial Services Ltd.-London	72,529	60,945
Samso,s Express Money Transfer	1,157,109	1,157,109
AN Express UK	513,315	513,315
Benevolent fund	3,731,088	2,457,113
Bluestar Services	23,017	21,783
NCCB Sure Cash Consolidated	90,500	500
Sigue Global Services Ltd.	45	45
Enquiry charge of CIB	587,030	3,209,990
GS Money Transfer Bedford, UK	-	130,860
Export Proceed Back to Back (USD)	379,325,250	-
Foreign FDD & FTT Payable	36,262,327	-
Others Payable -Foreign	259,945,151	-
Unclaimed block account balances for 10 years & above	54,255	10,850
Bangladesh Bank Bach & Clearing Charge	302,201	-
Internet Banking Charge	821,853	511,334
Cards	13,893,097	7,661,672
Vostro Account	250,531,324	202,001,316
Others	4,144,934	1,919,761
	4,098,096,334	**3,166,619,111**
13 (a) Consolidated deposits and other accounts		
Current deposits and other accounts		
NCC Bank Limited **(Note-13)**	13,865,186,763	11,118,728,784
NCCB Securities and Financial Services Limited	362,934,546	166,919,132
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	14,228,121,309	11,285,647,916
Less: Inter company transactions	424,206,712	402,846,468
	13,803,914,597	10,882,801,448
Bills payable		
NCC Bank Limited **(Note-13)**	5,101,703,331	1,882,364,468
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	5,101,703,331	1,882,364,468
Savings bank deposits		
NCC Bank Limited **(Note-13)**	18,732,883,987	15,519,149,153
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	18,732,883,987	15,519,149,153

	31.12.2016 Taka	31.12.2015 Taka
Fixed deposits		
NCC Bank Limited **(Note-13)**	50,135,024,925	45,151,188,780
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	50,135,024,925	45,151,188,780
Less: Inter company transactions	-	-
	50,135,024,925	45,151,188,780
Term deposits		
NCC Bank Limited **(Note-13)**	44,930,073,594	39,050,779,190
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	44,930,073,594	39,050,779,190
Less: Inter company transactions	-	-
	44,930,073,594	39,050,779,190
	132,703,600,434	**112,486,283,039**

14 Other liabilities

Conventional banking **(Note-14.1)**	16,643,513,878	12,416,107,564
Off-shore banking unit **(Note-14.7)**	24,392,728	11,189,031
Interest payable of off-shore banking unit	4,857,543	-
	16,672,764,149	**12,427,296,595**

14.1 Conventional banking

Other liabilities		
Interest payable	6,079,174,850	3,783,642,117
Excise duty	116,608,914	113,622,426
Special reserve of garments accounts	35,505,057	35,029,090
Liability for expenses	10,164,960	6,315,902
Incentive bonus payable	145,429,200	130,000,000
Audit fee payable including VAT	345,000	230,000
Withholding tax payable	78,313,533	102,300,734
Inter branch transaction account	101,080,591	124,362,842
Deduction of VAT on LC commission and service charges	96,035,999	65,725,526
Provision for other assets **(Note-14.2)**	23,024,969	26,862,245
Provision for income tax **(Note-14.3)**	2,779,418,113	1,315,257,198
Deferred tax liabilities **(Note-14.4.1)**	437,688,626	462,546,722
Provision for loans and advances **(Note-14.5)**	4,291,861,822	4,021,340,788
Provision on off balance sheet items **(Note-14.6)**	413,402,774	345,215,700
Interest suspense account **(Note-14.8)**	1,923,576,313	1,719,322,140
Contribution to NCC Bank Foundation **(Note-14.9)**	28,577,729	25,000,000
Provision for gratuity **(Note-14.10)**	56,237,011	120,092,129
Provision for nostro accounts **(Note-14.11)**	7,700,000	-
Reserve for unforeseen loss	19,368,416	19,242,004
	16,643,513,878	**12,416,107,564**

14.2 Provision for other assets

Opening balance	26,862,245	23,481,561
Add: Provisions made during the year	-	3,426,147
Less: Adjustment	(3,837,276)	(45,463)
Closing balance	**23,024,969**	**26,862,245**

	31.12.2016 Taka	31.12.2015 Taka
14.3 Provision for income tax		
Opening balance	1,315,257,198	1,123,003,802
Add: Provision made for current tax	1,464,160,915	1,006,720,845
Provision for prior years tax	-	(113,459,035)
	1,464,160,915	893,261,810
	2,779,418,113	2,016,265,612
Less: Adjustment during the year	-	(701,008,414)
Closing balance	**2,779,418,113**	**1,315,257,198**

Year wise unadjusted balance of provision for income tax

Accounting year	Assessment year		
2001	2002-2003	837,075	837,075
2003	2004-2005	79,740,525	79,740,525
2010	2011-2012	19,369,164	19,369,164
2011	2012-2013	12,149,862	12,149,862
2013	2014-2015	114,234,364	114,234,364
2014	2015-2016	195,664,397	195,664,397
2015	2016-2017	893,261,811	893,261,811
2016	2017-2018	1,464,160,915	-
		2,779,418,113	**1,315,257,198**

14.4 Consolidated provision for income tax		
Opening balance	1,546,660,604	1,353,312,847
Add : Provision made for NCC Bank Limited	1,464,160,915	1,006,720,845
Add : Provision made for prior years for NCC Bank Limited	-	(113,459,035)
Add : Provision made for NCCB Securities and Financial Services Limited	15,461,946	1,094,360
Add : Provision made for NCCB Capital Limited	-	-
	1,479,622,861	894,356,171
Less: Adjustment during the year	-	(701,008,414)
	3,026,283,465	**1,546,660,604**

14.4.1 Deferred tax

Deferred tax liabilities 2016

Particulars of liabilities	As per carrying value	As per tax base	Taxable temporary difference
Revaluation portion of land	320,083,348	-	320,083,348
Revaluation portion of building	130,311,931	-	130,311,931
Building/Office premises	1,085,868,325	646,324,458	439,543,867
Machinery & equipment	438,072,470	262,813,947	175,258,523
Local software	26,346,365	5,052,836	21,293,529
Vehicle	41,051,625	33,091,324	7,960,301
Accrued interest on Govt. securities	369,925,733	-	369,925,733
Total	**2,411,659,797**	**947,282,565**	**1,464,377,232**
Rate			**40% & 4%**
Deferred tax liabilities			**518,816,101**

Deferred tax liabilities 2015

Particulars of liabilities	As per carrying value	As per tax base	Taxable temporary difference
Revaluation portion of land	306,656,979	-	306,656,979
Revaluation portion of building	147,079,632	-	147,079,632
Building/Office premises	1,132,131,694	713,261,932	418,869,762
Machinery & equipment	523,471,990	306,538,306	216,933,684
Local software	40,817,438	10,105,671	30,711,767
Vehicles	-	-	-
Accrued interest on Govt. securities	474,324,610	-	474,324,610
Furniture & fixture	-	-	-
Total	**2,624,482,343**	**1,029,905,909**	**1,594,576,434**
Rate			**40% & 4%**
Deferred tax liabilities			**575,020,364**

	31.12.2016 Taka	31.12.2015 Taka
Opening balance	575,020,364	623,300,094
Add: Provision for revaluation reserve on land & building	-	-
	575,020,364	623,300,094
Less: Reverse provision for revaluation on land & building	-	-
	575,020,364	623,300,094
Addition during the year	-	-
	575,020,364	623,300,094
Adjustment made during the year	(56,204,263)	(48,279,730)
Closing balance	**518,816,101**	**575,020,364**

Deferred tax assets 2016

Particulars of assets	As per carrying value	As per tax base	Deductible temporary difference
Furniture and fixtures	365,168,811	380,926,186	(15,757,375)
* Vehicles	-	-	-
Provision for investment fluctuation in shares	(400,397,331)	-	(400,397,331)
Provision for gratuity	(56,237,011)	-	(56,237,011)
Provision for other assets & provision for nostro accounts	(30,724,969)	-	(30,724,969)
Total	**(122,190,500)**	**380,926,186**	**(503,116,686)**
Rate			**40% & 10%**
Deferred tax assets			**81,127,475**

* Determination of carrying value of vehicles considered as value mentioned in Third Schedule of ITO 1984.

Deferred tax assets 2015

Particulars of assets	As per carrying value	As per tax base	Deductible temporary difference
Furniture and fixtures	372,873,900	379,449,214	(6,575,314)
* Vehicles	31,127,435	37,667,748	(6,540,313)
Provision for investment fluctuation in shares	(484,456,414)	-	(484,456,414)
Provision for gratuity	(120,092,129)	-	(120,092,129)
Provision for other assets	(26,486,245)	-	(26,486,245)
Total	**(227,033,453)**	**417,116,962**	**(644,150,415)**
Rate			**40% & 10%**
Deferred tax assets			**112,473,642**

Opening balance	112,473,642	106,382,430
Addition during the year	-	6,091,212
	112,473,642	112,473,642
Adjustment made during the year	(31,346,167)	-
Closing balance	**81,127,475**	**112,473,642**
Net deferred tax (assets)/liabilities	**437,688,626**	**462,546,722**
Net deferred tax (income)/ expense charged to P/L	**(24,858,096)**	**(54,370,942)**

Provision for loans and advances

a) Movement in specific provision on classified loans and advances

Opening balance	3,169,664,725	2,705,151,901
Fully provided debt written off	(670,972,168)	(665,085,303)
Waiver during the year	(21,598,828)	(315,307,317)
Add: Recoveries of amount previously written off	16,485,152	14,573,045
Net charged to profit and loss account	818,569,430	1,430,332,399
Provision held at the end of the year	3,312,148,311	3,169,664,725

	31.12.2016 Taka	31.12.2015 Taka
b) Movement in general provision on unclassified loans and advances		
Opening balance	851,676,063	721,237,444
Add: Provision made for the year/net charge in profit and loss account	129,047,318	130,438,619
Less: Waiver allowed against UC loan	(1,009,870)	-
	979,713,511	851,676,063
Total (a+ b)	**4,291,861,822**	**4,021,340,788**
14.5.1 Consolidated provision for loans and advances charged to profit and loss account		
a) Specific provision on classified loans and advances		
NCC Bank Limited	818,569,430	1,430,332,399
NCCB Securities and Financial Services Limited	1,500,000	10,000,000
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	820,069,430	1,440,332,399
b) Movement in general provision on unclassified loans and advances		
NCC Bank Limited	129,047,318	130,438,619
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	129,047,318	130,438,619
Total (a+b)	**949,116,748**	**1,570,771,018**
14.6 Provision on off-balance sheet items		
Opening balance	345,215,700	345,215,700
Add: Provision made during the year	68,187,074	-
Closing balance	**413,402,774**	**345,215,700**
14.7 Provision for Off-shore banking unit		
Opening balance	11,189,031	3,707,458
Add: Provision made for the year/net charge in profit and loss account	13,203,697	7,481,573
Less: Adjustment during the year	-	-
	24,392,728	**11,189,031**
14.8 Interest suspense account		
Opening balance	1,719,322,140	1,488,795,712
Add: Amount transferred during the year	982,053,601	874,818,462
Less: Amount recovered during the year	(572,963,416)	(475,283,707)
Less: Amount written off during the year	(159,565,520)	(157,926,377)
Less: Amount waived during the year	(45,270,492)	(11,081,950)
Closing balance	**1,923,576,313**	**1,719,322,140**
14.9 Contribution to NCC Bank Foundation (NCCBF)		
Opening balance	25,000,000	25,000,000
Add: Contribution during the year	25,000,000	25,000,000
	50,000,000	50,000,000
Less: Adjustment during the year	(21,422,271)	(25,000,000)
Closing balance	**28,577,729**	**25,000,000**
14.10 Provision for gratuity		
Opening balance	120,092,129	110,270,549
Add: Provision made during the year	56,237,011	120,092,129
Less: Adjusted/transferred to Fund	(120,092,129)	(110,270,549)
Closing balance	**56,237,011**	**120,092,129**

	31.12.2016 Taka	31.12.2015 Taka
14.11 Provision for nostro accounts		
Opening balance	-	-
Add: Provision made during the year	7,700,000	-
Less: Adjustment	-	-
Closing balance	**7,700,000**	-
14(a)Consolidated other liabilities		
NCC Bank Limited **(Note-14)**	16,672,764,149	12,427,296,595
NCCB Securities and Financial Services Limited	1,386,964,047	1,442,626,154
NCCB Capital Limited	5,181,780	5,168,280
NCCB Exchange (UK) Limited	-	-
	18,064,909,976	13,875,091,028
Less: Inter company transactions	12,500	-
	18,064,897,476	**13,875,091,028**
15 Share capital		
15.1 Authorized share capital		
1,000,000,000 ordinary shares @ of Tk. 10 each	**10,000,000,000**	**10,000,000,000**
15.2 Issued, subscribed and fully paid-up capital		
39,000,000 Ordinary shares of Tk 10 each issued for cash	390,000,000	390,000,000
699,734,433 Ordinary shares of Tk 10 each issued as bonus	6,997,344,330	6,997,344,330
144,483,570 Ordinary shares of Tk 10 each issued as right share in Cash	1,444,835,700	1,444,835,700
88,321,8003 Ordinary shares of Tk 10 each	**8,832,180,030**	**8,832,180,030**

15.3 History of paid-up capital of NCC Bank Limited

Accounting Year	Declaration	No. of Share	Value of capital	Cumulative
1993	Opening capital	19,500,000	195,000,000	195,000,000
1994	-	-	-	195,000,000
1995	-	-	-	195,000,000
1996	-	-	-	195,000,000
1997	-	-	-	195,000,000
1998	-	-	-	195,000,000
1999	Initial public offer (IPO)	19,500,000	195,000,000	390,000,000
2000	10% Bonus Share	3,900,000	39,000,000	429,000,000
2001	12% Bonus Share	5,148,000	51,480,000	480,480,000
2002	15% Bonus Share	7,207,200	72,072,000	552,552,000
2003	10% Bonus Share	5,525,520	55,255,200	607,807,200
2004	30% Bonus Share	18,234,210	182,342,100	790,149,300
2005	50% Right Share	30,238,570	302,385,700	1,092,535,000
2005	10% Bonus Share	10,925,350	109,253,500	1,201,788,500
2006	12.50% Bonus Share	15,022,350	150,223,500	1,352,012,000
2007	30% Bonus Share	40,560,360	405,603,600	1,757,615,600
2008	30% Bonus Share	52,728,460	527,284,600	2,284,900,200
2009	47% Bonus Share	107,390,300	1,073,903,000	3,358,803,200
2010	50% Right Share	114,245,010	1,142,450,100	4,501,253,300
2010	32% Bonus Share	144,040,105	1,440,401,050	5,941,654,350
2011	17% Bonus Share	101,008,123	1,010,081,230	6,951,735,580
2012	10% Bonus Share	69,517,355	695,173,550	7,646,909,130
2013	5% Bonus Share	38,234,545	382,345,450	8,029,254,580
2014	10% Bonus Share	80,292,545	802,925,450	8,832,180,030
		883,218,003	**8,832,180,030**	

			31.12.2016 Taka	31.12.2015 Taka

15.4 % of shareholdings as on 31 December 2016

Particulars	No of share	% of holdings		
Directors/Sponsors	331,335,218	37.51	3,313,352,180	2,588,591,630
Financial institutions	139,807,491	15.83	1,398,074,910	1,037,967,980
Foreign investors	1,151,486	0.13	11,514,860	15,950,270
General shareholder	410,923,808	46.53	4,109,238,080	5,189,670,150
	883,218,003	**100.00**	**8,832,180,030**	**8,832,180,030**

15.5 Range wise shareholdings as on 31 December 2016

Range of holding of shares	No. of share holders	% of shares holding	No. of shares
Less than 5,000	54461	7.18	63,428,132
5,001 to 10,000	4114	3.34	29,506,157
10,001 to 20,000	1958	3.13	27,629,832
20,001 to 30,000	587	1.63	14,428,573
30,001 to 40,000	289	1.15	10,187,117
40,001 to 50,000	186	0.98	8,655,370
50,001 to 100,000	329	2.67	23,592,655
100,001 to 200,000	194	3.14	27,689,587
200,001 to 300,000	60	1.71	15,071,198
300,001 to 400,000	46	1.85	16,333,316
400,001 to 500,000	33	1.70	15,051,319
500,001 to 1,000,000	57	4.72	41,696,159
1,000,001 to 10,000,000	78	27.22	240,385,377
10,000,001 to 100,000,000	19	39.58	349,563,211
Total	**62411**	**100.00**	**883,218,003**

15.6 Capital to Risk-Weighted Asset Ratio (CRAR) (Solo Basis)

i) Core capital (Tier- i)
a) Common Equity Tier 1

Paid-up capital	8,832,180,030	8,832,180,030
Statutory reserve -**(Note-16)**	5,927,548,654	5,224,066,591
General reserve -**(Note-17)**	10,162,348	10,162,348
Surplus in profit & loss account -**(Note-19)**	1,416,463,390	1,165,936,112
	16,186,354,422	**15,232,345,081**
Less: Regulatory adjustment for:		
Goodwill and other intangible assets	26,346,365	-
Reciprocal crossholdings in the CET-1 capital banking, financial and insurance entities	46,207,307	-
	72,553,672	-
	16,113,800,750	**15,232,345,081**
b) Additional Tier 1 Capital	-	-
	16,113,800,750	**15,232,345,081**
ii) Supplementary capital (Tier- ii)		
General provision on unclassified loan **(Note-14.5(b)**	979,713,511	851,676,063
General provision for off-balance sheet exposures **(Note-14.6)**	413,402,774	345,215,700
General Provision for off-shore banking unit **(Note-14.7)**	24,392,728	11,189,031
Revaluation reserve on Govt. securities	20,856,792	20,856,792
Assets revaluation reserve	171,301,883	171,301,883
	1,609,667,688	**1,400,239,469**
Less: Regulatory adjustment for assets revaluation	76,863,470	38,431,735
	1,532,804,218	**1,361,807,734**
A) Total capital (Tier-I + Tier-ii)	**17,646,604,968**	**16,594,152,815**
Total assets including off-balance sheet items	214,046,510,255	180,622,890,477

	31.12.2016 Taka	31.12.2015 Taka
B) Total risk weighted assets **(Details computation of RWA shown in Annexure-G)**	147,483,461,822	122,752,603,980
C) Required capital except capital conservation buffer (10% of total risk weighted assets)	14,748,346,182	12,275,260,398
D) Required capital plus capital conservation buffer (10.625% of total risk weighted assets)	15,670,117,819	12,275,260,398
E) Surplus (A-D)	**1,976,487,149**	**4,318,892,417**
Capital to Risk-Weighted Asset Ratio (CRAR)	**11.97%**	**13.52%**

Capital to Risk-Weighted Asset Ratio (CRAR)

Capital requirement	2016		2015	
	Required		Required	Held
Tier-I	5.50%	10.93%	5.00%	12.41%
Tier-II	4.50%	1.04%	5.00%	1.11%
Total Capital	**10.00%**	**11.97%**	**10.00%**	**13.52%**
Total Capital Plus Capital Conservation Buffer	**10.625%**	**11.97%**	**10.00%**	**13.52%**

Capital to Risk-Weighted Asset Ratio (CRAR) (Consolidated Basis)

i) Core capital (Tier- i)		
a) Common Equity Tier 1		
Paid-up capital	8,832,180,030	8,832,180,030
Statutory reserve **(Note-16)**	5,927,548,654	5,224,066,591
General reserve (Note-17)	10,162,348	10,162,348
Non-controlling (Minority) interest **(Note-15.8)**	205	205
Surplus in profit & loss account **(Note-19(a)**	1,446,379,574	1,194,919,713
	16,216,270,811	**15,261,328,887**
Less: Regulatory adjustment for:		
Goodwill and other intangible assets	27,288,645	-
Reciprocal crossholdings in the CET-1 capital banking, financial and insurance entities	46,207,307	
	73,495,952	-
	16,289,766,762	**15,261,328,887**
b) Additional Tier 1 Capital	-	-
	16,289,766,762	**15,261,328,887**
ii) Supplementary capital (Tier- ii)		
General provision on unclassified loan **(Note-14.5(b)**	979,713,511	851,676,063
General provision for off-balance sheet exposures **(Note-14.6)**	413,402,774	345,215,700
General provision for off-shore banking unit **(Note-14.7)**	24,392,728	11,189,031
Revaluation reserve on Govt. securities	20,856,792	20,856,792
Assets revaluation reserve	171,301,883	171,301,883
	1,609,667,688	**1,400,239,469**
Less: Regulatory adjustment for assets revaluation	76,863,470	38,431,735
	1,532,804,218	**1,361,807,734**
A) Total capital (Tier-I + Tier-ii)	**17,822,570,980**	**16,623,136,621**
Total assets including off-balance sheet items	215,407,287,804	181,863,741,380

	31.12.2016 Taka	31.12.2015 Taka
B) Total risk weighted assets	150,343,910,904	125,135,235,171
(Details computation of RWA shown in Annexure-G)		
C) Required capital except capital conservation buffer (10% of total risk weighted assets)	15,034,391,090	12,513,523,517
D) Required capital plus capital conservation buffer (10.625% of total risk weighted assets)	15,974,040,534	12,513,523,517
E) Surplus/(deficit) (A-D)	**1,848,530,447**	**4,109,613,104**
Capital to Risk-Weighted Asset Ratio (CRAR)	**11.85%**	**13.28%**

Capital requirement	2016		2015	
	Required	Held	Required	Held
Tier-I	5.50%	10.84%	5.00%	12.20%
Tier-II	4.50%	1.02%	5.00%	1.09%
Total Capital	**10.000%**	**11.85%**	**10.00%**	**13.28%**
Total Capital Plus Capital Conservation Buffer	**10.625%**	**11.85%**	**10.00%**	**13.28%**

15.8 Non-controlling (Minority) interest

Share capital	205	215
Add: Profit attributable during the year	-	-
Less: Adjustment	-	(10)
Less: Final dividend paid	-	-
	205	**205**

15.9 Name of the directors and their shareholdings:

S. L. No.	Name of directors	Status with Bank as on 31.12.2016	Position as on 31.12.2016	Position as on 31.12.2015
1	Mr. Abdus Salam	Chairman	18,557,753	18,557,753
2	Mr. A.S.M. Mainuddin Monem	Vice Chairman	17,669,257	17,669,257
3	Mr. S.M. Abu Mohsin	Director	17,789,128	17,789,128
4	Mrs. Sohela Hossain	Director	17,715,472	17,715,472
5	Mr. Md. Abdul Awal	Director	18,566,625	18,566,625
6	Mr. Amjadul Ferdous Chowdhury	Director	17,680,444	17,680,444
7	Mr. Yakub Ali	Director	17,666,512	17,666,512
8	Alhaj Md. Nurun Newaz	Director	18,043,901	18,043,901
9	Mr. Md. Abul Bashar	Director	18,568,275	18,568,275
10	Mr. Md. Harunur Rashid	Director	20,016,314	19,616,314
11	Mr. Khairul Alam Chaklader	Director	33,172,058	44,172,058
12	Mr. Md. Moinuddin	Director	23,007,683	23,007,683
13	Mr. K.A.M. Harun	Independent Director	-	-
14	Mr. Md. Amirul Islam, FCS, FCA	Independent Director	-	-
			238,453,422	**249,053,422**

16 Statutory reserve

Opening balance	5,224,066,591	4,783,513,367
Add: Adjustment for OBU	-	11,703
Addition during the year (20% of pre-tax profit)	703,482,063	440,541,521
Closing balance	**5,927,548,654**	**5,224,066,591**

17 General reserve

Opening balance	10,162,348	10,162,348
Addition during the year	-	-
Less : Adjustment during the year	-	-
Closing balance	**10,162,348**	**10,162,348**

	31.12.2016 Taka	31.12.2015 Taka
18 Other reserves		
18.(a) Assets revaluation reserve on land and building		
Opening balance	339,176,759	342,603,766
Less : Adjustment for Provision for deferred tax	-	-
	339,176,759	342,603,766
Less: Depreciation on revalued amount transferred to retained earnings	2,004,799	3,427,007
	337,171,960	339,176,759
Add: Reverse deferred tax on revaluation on land	-	-
	337,171,960	339,176,759
Add: Addition during the year	-	-
	337,171,960	339,176,759
18.(b) Revaluation reserve on Govt. securities (treasury bills & bonds)		
Opening balance	75,476,848	41,713,583
Add: Addition during the year	23,045,448	154,237,985
Held to maturity (HTM)	65,417	-
Held for trading (HFT)	17,184,537	152,580,807
Treasury bond (RM)	5,795,494	1,657,178
Less: Adjusted during the year	(80,252,425)	(120,474,720)
Held to maturity (HTM)	-	-
Treasury bond (RM)	(6,303,579)	(1,520,310)
Held for trading (HFT)	(73,948,846)	(118,954,410)
Closing balance	18,269,871	75,476,848
	355,441,831	**414,653,607**
18.1 Foreign currency translation gain/(loss)		
Opening balance	7,639,571	(276,637)
Adjustment	(7,239,608)	2,510
Add: Transfer during the year	-	7,913,698
Closing balance	**399,963**	**7,639,571**
19 Surplus in profit and loss account		
Retained earnings brought forward from previous year **(Note-19.1)**	39,833,159	239,233,892
Adjustment	-	-
Profit for the year	2,078,107,496	1,363,816,735
Transfer to statutory reserve	(703,482,063)	(440,541,521)
Transferred to general reserve	-	-
Transferred from general reserve	-	-
	1,414,458,591	1,162,509,106
Depreciation on revalued amount of building transferred to retained earnings	2,004,799	3,427,006
	1,416,463,390	**1,165,936,112**
19(a) Consolidated surplus in profit and loss account		
Retained earning brought forward from previous year	68,816,759	246,649,345
Profit for the year	2,079,040,079	1,385,384,882
General reserve	-	-
Interim dividend	-	-
Transfer to statutory reserve	(703,482,063)	(440,541,521)
	1,444,374,775	1,191,492,706
Less: Non controlling (Minority) interest	-	-
	1,444,374,775	1,191,492,706
Depreciation on revalued amount of building Transferred to retained earnings	2,004,799	3,427,007
	1,446,379,574	**1,194,919,713**

	31.12.2016 Taka	31.12.2015 Taka
19.1 Retained earnings		
Conventional banking	27,045,095	239,463,178
Off-shore banking unit	12,788,064	(229,286)
	39,833,159	**239,233,892**
Conventional banking		
Opening balance	1,153,148,049	1,042,402,841
Adjustment for OBU	-	(14,213)
Bonus share transferred to paid-up capital	-	(802,925,450)
Cash dividend paid	(1,126,102,954)	-
Closing balance	27,045,095	239,463,178
Off-shore banking unit		
Opening balance	12,788,064	(229,286)
Adjustment	-	-
Closing balance	12,788,064	(229,286)
19.2 Consolidated retained earnings		
Opening balance	1,194,919,713	1,046,694,283
Adjustment for currency translation gain/(loss) and minority interest	-	2,672,355
Adjustment for expenses wrongly charged in NCCB Capital	-	222,370
Adjustment for OBU	-	(14,213)
Bonus share transferred to paid-up capital	-	(802,925,450)
Cash dividend paid	(1,126,102,954)	-
Closing balance	**68,816,759**	**246,649,345**
19.3 Consolidated foreign currency translation gain/(loss)		
NCC Bank Limited **(Note-18.1)**	399,963	7,639,571
NCCB Securities and Financial Services Limited	-	-
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	399,963	7,639,571
Less: Inter company transactions	-	-
	399,963	**7,639,571**
20 Contingent liabilities		
20.1 Acceptances and endorsement	**12,268,815,139**	**11,492,348,389**
20.2 Letter of guarantee		
Money for which the Bank is contingently liable in respect of guarantees issued		
Directors	111,000	111,000
Government	9,764,738,981	7,520,931,213
Banks and other financial institutions	107,528,223	82,819,000
Others	8,005,042,009	6,165,540,137
Total	17,877,420,213	13,769,401,350
Less: Margin **(Note 13.4)**	851,804,839	597,268,396
	17,025,615,374	**13,172,132,954**
20.3 Letter of credit issued		
Documentary credit and short-term trade-related transactions	11,183,881,376	8,988,152,644
Forward assets purchased and forward deposits placed	-	-
Undrawn formal standby facilities, credit facilities and other commitments	-	-
Spot and forward foreign exchange rate contract	-	-
Other exchange contract	-	-
Total	11,183,881,376	8,988,152,644
Less: Margin **(Note 13.4)**	1,132,772,811	918,309,283
	10,051,108,565	**8,069,843,361**
20.4 Bills for collection	**10,160,692**	**183,043**

	2016 Taka	2015 Taka
21 Income statement		
Income		
Interest, discount and similar income **(Note-21.1)**	13,212,571,814	13,777,595,505
Dividend income **(Note-21.2)**	74,913,617	47,277,455
Fee, commission and brokerage **(Note-21.3)**	607,591,764	581,388,815
Gains less losses arising from dealing in foreign currencies	543,348,602	215,580,019
Other operating income **(Note-26)**	412,416,886	385,063,468
	14,850,842,682	15,006,905,262
Expenses		
Interest, fee and commission **(Note-23)**	7,281,263,722	8,056,172,569
Charges on loan losses	9,965,679	-
Administrative expenses **(Note-21.4)**	2,570,820,332	2,571,281,270
Other operating expenses **(Note-36)**	264,139,018	275,918,827
Depreciation on banking assets **(Note-35)**	233,432,457	237,272,455
	10,359,621,208	11,140,645,122
	4,491,221,475	**3,866,260,140**
21.1 Interest, discount and similar income		
Interest income on loans and advances	11,103,250,284	11,019,436,273
Interest on balances with other banks and financial institutions	168,821,091	126,904,187
Interest on treasury bill	80,525,321	190,180,447
Interest on Reverse Repo (Treasury bills)	1,261,021	39,671,525
Interest on treasury bond (RM)	375,012,494	516,411,741
Gain on sale of shares	25,235,167	35,275,657
Capital gain on sale of treasury bonds	56,384,727	293,552,317
Interest on treasury bond (HTM)	1,267,155,197	1,083,169,296
Interest on treasury bond (HFT)	15,032,882	435,895,704
Interest on zero coupon bonds	-	209,600
Interest on Bangladesh Bank bills	39,020,045	-
Interest on subordinated bond	31,062,225	36,888,758
Interest on commercial paper	38,519,444	-
Discount on treasury bills and bonds	11,291,916	-
	13,212,571,814	**13,777,595,505**
21.2 Dividend income		
Dividend on shares	74,913,617	47,277,455
Dividend from NCCB Securities and Financial Services Ltd.	-	-
	74,913,617	**47,277,455**
21.3 Fee, commission and brokerage		
Commission	607,591,764	581,388,815
Brokerage	-	-
	607,591,764	**581,388,815**

	2016 Taka	2015 Taka
21.4 Administrative expenses		
Salary and allowances **(Note-27)**	1,867,183,344	1,858,554,514
Rent, taxes, insurance, electricity etc. **(Note-28)**	331,582,708	310,958,861
Legal expenses **(Note-29)**	17,052,825	21,429,011
Postage, stamp and telecommunication **(Note-30)**	30,002,386	27,954,067
Stationery, printing, advertisement etc. **(Note-31)**	65,641,616	89,123,218
Chief executive officer's salary & allowances **(Note-32)**	9,000,000	9,000,000
Director's fees & other benefits **(Note-33)**	3,976,000	4,014,104
Auditors' fees **(Note-34)**	345,000	230,000
Repairs & maintenance of bank's assets **(Note-35)**	246,036,452	250,017,496
	2,570,820,332	**2,571,281,270**
22 Interest income		
Conventional banking **(Note-22.1)**	11,210,484,932	11,124,237,406
Off-shore banking unit **(Note-22.2)**	89,566,501	43,068,398
	11,300,051,433	11,167,305,804
Less: inter transaction between OBU and conventional banking	27,980,057	20,965,344
	11,272,071,375	**11,146,340,460**
22.1 Conventional banking		
Interest on loans and advances		
Loan (General)	44,322,904	123,408,473
Loan against house building	224,393,124	175,363,405
Loan against imported merchandise	9,467,915	10,543,403
Loan against trust receipts	1,078,377,238	1,639,948,584
Loan against packing credit	14,766,999	8,579,424
Demand Loan	39,420,061	91,512,372
SOD against financial obligation	623,021,747	706,237,560
Temporary business loan	172,773,879	-
SOD general	1,297,827,189	1,260,043,590
SOD export	16,814,097	19,517,230
EDF	12,083,501	5,605,376
Cash credit against pledge	6,920,661	8,819,188
Cash credit against hypothecation	2,049,393,124	2,136,432,453
Cash credit against export	591,094	1,772,266
Forced loan	78,773,199	182,541,378
FDBP & discounted	6,728,186	2,754,635
Payment against documents	45,010,210	56,473,703
Local documentary bills purchased	226,557,877	241,115,300
Transport loan	35,731,893	40,262,329
Lease finance	171,655,870	174,563,159
Small business loan	79,152,606	96,938,190
House renovation loan	571,062	1,357,350
Personal loans	1,228,697	1,454,297
Consumers finance scheme	-	36,023
Home improvement loan	26,890,776	25,811,863
Short Term Finance (STF)	746,768,819	269,552,496
Agricultural credit	167,723,341	173,922,757
Festival small business loan	8,665,177	14,381,098

	2016 Taka	2015 Taka
Marriage loan	500,450	-
Consumer loan	994,530	-
Term loan (small, medium/large)	2,381,286,481	2,053,539,278
Special housing loan	152,366,097	171,094,575
Housing loan under refinance scheme	1,748,620	1,981,359
Staff P.F loan	14,178,361	17,708,161
Staff house building loan	13,453,654	16,495,575
Staff car loan	1,373,820	3,514,363
Credit card	88,289,489	93,096,044
Car loan scheme	13,578,763	8,989,353
Short term loan	326,109,735	386,085,088
Garments & foot wear cluster	1,207,685	1,943,791
Time loan	832,810,920	752,720,616
OBU	27,980,057	20,965,344
Education loan scheme	153,931	251,772
	11,041,663,840	10,997,333,219
Interest on balances with other banks and financial institutions		
Fixed deposits	104,885,327	79,508,141
Short term deposits	2,396,891	115,876
Financial institutions	-	-
	107,282,219	79,624,017
Money at call & short notice	24,661,456	37,071,224
Foreign banks	36,877,417	10,208,946
	168,821,091	126,904,187
	11,210,484,932	**11,124,237,406**
22.2 Off-shore banking unit	**89,566,501**	**43,068,398**
22(a) Consolidated interest income		
NCC Bank Limited **(Note-22)**	11,272,071,375	11,146,340,460
NCCB Securities and Financial Services Limited	162,404,499	192,561,785
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	11,434,475,874	11,338,902,245
Less: Inter company transactions	190,372,047	222,924,029
	11,244,103,827	**11,115,978,216**
23 Interest paid on deposits and borrowings		
Conventional banking **(Note-23.1)**	7,263,653,084	8,054,637,864
Off-shore banking unit **(Note-23.2)**	45,590,696	22,500,049
	7,309,243,780	8,077,137,913
Less: inter transaction between OBU and conventional banking	27,980,057	20,965,344
	7,281,263,722	**8,056,172,569**

	2016 Taka	2015 Taka
23.1 Conventional banking		
23.1a Interest paid on deposits		
Savings deposits	522,121,838	508,652,085
Short notice deposits	481,200,526	370,946,202
Fixed deposits	2,631,251,387	3,626,683,072
Special savings scheme	1,901,268,767	1,688,530,908
Special deposit scheme	450,338,623	535,449,419
NCCB youngster maximus & money plant scheme	10,740,831	5,422,517
Wage earners welfare DPS	13,862,198	19,351,412
Premium term deposits	-	11,336,632
Money double program	1,054,510,341	964,479,406
Money triple program	78,617,498	70,847,975
Foreign currency deposits **(note 23.1a(1)**	412,142	871,094
	7,144,324,151	7,802,570,722
23.1b Interest paid on borrowings		
Call deposits	27,945,565	52,974,888
Repurchase agreement (repo)	12,424,668	117,703,783
Bangladesh Bank refinance	78,958,700	81,388,471
	119,328,933	252,067,142
	7,263,653,084	**8,054,637,864**
23.1a(1) Foreign currency deposits		
F.C accounts	2,633	-
R.F.C.D accounts	405	-
N.F.C.D account	409,104	871,094
E.R.Q accounts	-	-
	412,142	871,094
23.2 Off-shore banking unit	**45,590,696**	**22,500,049**
23(a) Consolidated interest paid on deposits, borrowings, etc.		
NCC Bank Limited **(Note-23)**	7,281,263,722	8,056,172,569
NCCB Securities and Financial Services Limited	190,372,047	222,924,029
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	7,471,635,769	8,279,096,598
Less: Inter company transactions	190,372,047	222,924,029
	7,281,263,722	**8,056,172,569**
24 Income from investments		
Interest on treasury bills	80,525,321	190,180,447
Interest on Reverse Repo (Treasury bills)	1,261,021	39,671,525
Interest on treasury bond (RM)	375,012,494	516,411,741
Interest on treasury bond (HTM)	1,270,631,395	1,106,160,734
Interest on treasury bond (HFT)	15,032,882	435,895,704
Interest on Bangladesh Bank bills	39,020,045	-
Discount on treasury bills and bonds	11,291,916	-
Interest on zero coupon bonds	-	209,600
Interest on subordinated bond	31,062,225	36,888,758
Interest on commercial paper	38,519,444	-

	2016 Taka	2015 Taka
Dividend on shares	74,913,617	47,277,455
Gain on sale of shares	25,235,167	35,275,657
Capital gain on sale of treasury bonds	56,384,727	293,552,317
	2,018,890,253	2,701,523,938
Less: Loss on sale/revaluation/amortization of securities	(3,476,198)	(22,991,438)
	2,015,414,055	**2,678,532,500**
24(a) Consolidated income from investments		
NCC Bank Limited **(Note-24)**	2,015,414,055	2,678,532,500
NCCB securities and Financial Services Limited	14,523,724	621,209
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	2,029,937,779	2,679,153,709
Less: Inter company transactions	-	-
	2,029,937,779	**2,679,153,709**
25 Commission, exchange and brokerage		
Commission		
Commission on bill purchased	10,534,958	9,142,259
Commission on remittances	37,790,049	52,209,685
Commission on letter of guarantee	241,929,121	188,678,921
Commission on letter of credit	151,218,675	148,365,976
Commission on purchase/sale of share/securities	30,000	308,580
Commission on sanchaypatra	3,344,947	3,344,764
Commission on back to back LC.	24,452,689	26,047,371
Advising commission on letter of credit	7,915,969	7,747,321
Commission on acceptance of BTB L/C	26,950,274	27,941,689
Commission on acceptance (other than BTB)	94,272,190	89,900,890
Commission - Miscellaneous	6,470,802	7,267,924
Commission on L/C confirmation	-	50
Underwriting commission	2,576,290	20,300,868
Commission on instrument cancellation	10,400	900
Commission from national prize bonds	95,400	121,100
Money gram/others	-	10,516
	607,591,764	581,388,815
Exchange gain		
Exchange gain	604,556,275	235,432,185
Less: Exchange loss	(61,207,673)	(19,852,166)
	543,348,602	215,580,019
Brokerage	-	-
	1,150,940,366	**796,968,834**
25(a) Consolidated commission, exchange & brokerage		
NCC Bank Limited **(Note-25)**	1,150,940,366	796,968,834
NCCB Securities and Financial Services Limited	98,901,967	93,603,298
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	447,500
	1,249,842,333	891,019,632
Less: Inter company transactions	-	-
	1,249,842,333	**891,019,632**

		2016 Taka	2015 Taka
26	**Other operating income**		
	Rent locker	4,287,823	4,101,039
	Rent godown	1,117,801	631,800
	Postage recoveries	6,315,698	5,825,603
	Telex, telegram, trunk call, fax, swift etc. recoveries	40,657,551	35,519,014
	Incidental charge recoveries	100	2,135
	Legal charge recoveries	14,900	79,025
	Service charges	84,173,980	79,167,617
	ATM transaction fees	1,787,517	755,437
	Profit on sale of fixed assets	-	3,229,850
	Risk allowance	1,281,752	819,634
	Account maintenance fees	93,059,943	88,924,623
	Card fees & others	55,886,708	51,221,597
	Banking & Clearing Charge	1,129,658	10,305,750
	Miscellaneous earnings	107,992,859	90,469,312
	Application and processing fees	14,710,596	14,011,031
		412,416,886	**385,063,468**
26(a)	**Consolidated other operating income**		
	NCC Bank Limited **(Note-26)**	412,416,886	385,063,468
	NCCB Securities and Financial Services Limited	2,359,404	4,464,344
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		414,776,290	**389,527,812**
27	**Salary & allowances**		
	Basic salary	833,434,505	792,608,543
	House rent allowance	290,870,529	280,640,597
	Allowances **(Note-27.1)**	307,573,139	289,334,463
	Bank's contribution to provident fund	71,773,686	66,182,462
	Incentive Bonus	172,778,250	187,392,750
	Festival Bonus	132,496,600	121,373,050
	Gratuity-**(Note-14.10)**	56,237,011	120,092,129
	Honorarium	2,019,623	930,520
		1,867,183,344	**1,858,554,514**
27.1	**Allowances**		
	Entertainment allowance	41,368,286	39,733,418
	Medical allowance	134,527,855	127,897,508
	Washing allowance	1,789,000	1,848,459
	Evening banking	535,900	520,500
	Casual wages	52,201,262	46,633,262
	Other allowance	77,150,836	72,701,316
		307,573,139	**289,334,463**
27(a)	**Consolidated salary & allowances**		
	NCC Bank Limited **(Note-27)**	1,867,183,344	1,858,554,514
	NCCB Securities and Financial Services Limited	31,510,381	28,938,967
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		1,898,693,725	**1,887,493,481**

		2016 Taka	2015 Taka
28	**Rent, taxes, insurance, electricity etc.**		
	Rent		
	Office	176,620,041	161,514,637
	Clearing house	74,573	29,878
		176,694,614	161,544,515
	Rates and taxes		
	Rates	1,111,999	1,270,540
	Taxes	5,543,964	3,771,654
		6,655,963	5,042,194
	Insurance		
	Cash	6,705,134	7,780,341
	Vehicles	1,263,813	1,694,258
	Deposits	74,532,168	63,052,355
		82,501,115	72,526,954
	Electricity		
	Electricity - office	63,618,721	70,014,615
	Electricity - residence	2,112,295	1,830,583
		65,731,016	71,845,198
		331,582,708	**310,958,861**
28(a)	**Consolidated rent, taxes, insurance, electricity etc.**		
	NCC Bank Limited **(Note-28)**	331,582,708	310,958,861
	NCCB Securities and Financial Services Limited	12,561,967	11,263,590
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	1,098,002
		344,144,675	323,320,453
	Less: Inter company transactions	-	-
		344,144,675	**323,320,453**
29	**Legal expenses**		
	Legal charge	11,524,165	17,935,747
	Stamp charge	135,920	306,720
	Consultancy fee	5,142,740	2,876,544
	Credit Rating fee	250,000	310,000
		17,052,825	**21,429,011**
29 (a)	**Consolidated legal expenses**		
	NCC Bank Limited **(Note-29)**	17,052,825	21,429,011
	NCCB Securities and Financial Services Limited	-	-
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		17,052,825	**21,429,011**
30	**Postage, stamp and telecommunication**		
	Postage	10,677,149	11,059,233
	Telex/swift/internet	7,761,540	5,412,836
	Telephone -office	7,221,042	7,210,236
	Telephone -residence	4,342,655	4,271,762
		30,002,386	**27,954,067**

	2016 Taka	2015 Taka
30(a) Consolidated postage, stamp and telecommunication		
NCC Bank Limited **(Note-30)**	30,002,386	27,954,067
NCCB Securities and Financial Services Limited	260,466	278,121
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	30,262,852	**28,232,188**
31 Stationery, printing, advertisement etc.		
Printing and stationery:		
Printed stationery	19,685,447	23,756,257
Security stationery	11,215,273	11,389,964
Petty stationery	12,754,163	12,572,128
	43,654,883	47,718,349
Publicity and advertisement	21,986,733	41,404,869
	65,641,616	**89,123,218**
31(a) Consolidated stationery, printing, advertisement etc.		
NCC Bank Limited **(Note-31)**	65,641,616	89,123,218
NCCB Securities and Financial Services Limited	1,140,698	639,211
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	66,782,314	**89,762,429**
32 Chief Executive Officer's salary & allowances		
Basic salary	4,800,000	4,800,000
Festival bonus	800,000	800,000
Incentive bonus	1,000,000	1,000,000
Entertainment allowance	600,000	600,000
House rent allowance	1,800,000	1,800,000
	9,000,000	**9,000,000**
33 Director's fees & other benefits		
Meeting fees	2,432,000	2,070,000
Other benefits	1,544,000	1,944,104
	3,976,000	**4,014,104**

As per BRPD circular no. 03 dated 18.01.2010. Tk. 5,000/- per attendance per person has been paid as honorarium to the Directors for attending the meeting of the Board / executive committee/ audit committee members held before October 2015 and subsequently the Bank has paid Tk. 8,000/- per attendance per person as honorarium according to the BRPD circular no. 11 dated 04 October 2015. Other benefits include traveling expenses of directors for attending meetings.

33(a) Consolidated Director's fees & other benefits		
NCC Bank Limited **(Note-33)**	3,976,000	4,014,104
NCCB Securities and Financial Services Limited	212,500	231,250
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	4,188,500	**4,245,354**
34 Auditors' fees	**345,000**	**230,000**

	2016 Taka	2015 Taka
34(a) Consolidated auditors' fees		
NCC Bank Limited **(Note-34)**	345,000	230,000
NCCB Securities and Financial Services Limited	34,500	34,500
NCCB Capital Limited	13,500	11,500
NCCB Exchange (UK) Limited	-	-
	393,000	**276,000**
35 Repairs, maintenance, amortization and depreciation		
Repairs & maintenance		
Repairs & maintenance of fixed assets	148,581,608	153,182,670
Amortization of software	17,622,739	19,083,301
Renovation & maintenance of premises	79,832,105	77,751,525
	246,036,452	250,017,496
Depreciation (Annexure 'D')		
Furniture and fixtures	50,925,216	46,243,974
Machinery and equipment	92,134,363	104,166,286
Computer Equipment	42,098,296	39,345,536
Vehicles	17,473,175	16,054,911
Buildings & office premises	30,801,407	31,461,749
	233,432,457	237,272,455
	479,468,909	**487,289,951**
35(a) Consolidated repairs, maintenance, amortization and depreciation		
NCC Bank Limited **(Note-35)**	479,468,909	487,289,951
NCCB Securities and Financial Services Limited	6,919,355	5,957,525
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	486,388,264	**493,247,476**
36 Other expenses		
Conventional banking **(Note-36.1)**	264,139,018	275,849,402
Off-shore banking unit **(Note-36.2)**	-	69,425
	264,139,018	**275,918,827**
36.1 Other expenses		
Conventional banking		
Entertainment	24,626,435	21,562,933
Car expenses	57,582,372	48,377,563
Paper and periodicals	1,302,234	1,333,548
Trade subscription	8,005,034	13,227,913
Traveling & conveyance	76,386,708	69,989,127
Cash carrying charges	1,885,663	2,064,029
Liveries and uniform	2,796,309	2,810,827
Water sewerage and gas	6,492,415	6,201,954
Laundry and cleaning	1,484,190	1,372,199
Training expenses	3,802,269	3,746,189
Business promotion	10,134,828	11,050,104
Donation	23,001,630	13,527,607

	2016 Taka	2015 Taka
Utility charges	9,325,514	9,403,922
Welfare and recreation	1,660,000	1,204,675
Other bank charge	7,782,109	7,126,054
CDBL charge	27,253	302,023
Miscellaneous expenses	692,497	1,226,677
Credit card service charge	14,218,379	11,357,295
Sales commission	-	1,000
Loss against NCCB Exchange(UK) Limited	-	44,963,763
Loss on sale of fixed assets	6,133,179	-
Superannuation fund	6,800,000	5,000,000
	264,139,018	275,849,402
36.2 Off-shore banking unit	-	69,425
36(a) Consolidated other expenses		
NCC Bank Limited **(Note-36)**	264,139,018	275,918,827
NCCB Securities and Financial Services Limited	16,472,100	15,818,647
NCCB Capital Limited	16,265	19,380
NCCB Exchange (UK) Limited	-	9,014,023
	280,627,383	300,770,877
Less: Inter company transactions	-	44,963,763
	280,627,383	**255,807,114**
37 Cash received from other operating activities		
Conventional banking		
Other operating income	468,801,613	675,385,934
Exchange earning	543,348,602	215,580,019
	1,012,150,215	890,965,953
Off-shore banking unit	-	-
	1,012,150,215	**890,965,953**
37(a) Consolidated cash received from other operating activities		
NCC Bank Limited **(Note-37)**	1,012,150,215	890,965,953
NCCB Securities and Financial Services Limited	2,359,404	1,983,800
NCCB Capital Limited	-	-
NCCB Exchange (UK) Limited	-	-
	1,014,509,619	**892,949,753**
38 Cash paid for other operating activities		
Conventional banking		
Expenses for the year	815,323,363	790,707,959
Add: Opening accrued expenses	6,545,902	3,873,441
Less: Closing accrued expenses	(10,509,960)	(6,545,902)
	811,359,305	788,035,498
Off-shore banking unit	-	-
	811,359,305	**788,035,498**

	2016 Taka	2015 Taka
38(a) Consolidated cash paid for other operating activities		
NCC Bank Limited **(Note-38)**	811,359,305	788,035,498
NCCB Securities and Financial Services Limited	20,913,395	20,686,056
NCCB Capital Limited	26,000	45,130
NCCB Exchange (UK) Limited	-	10,112,025
	832,298,700	**818,878,709**
39 Increase/(decrease) of other assets		
Conventional banking		
Closing other assets		
Stationery in hand	32,858,784	8,960,384
Stamps and stamped forms in hand	3,340,645	3,309,514
Advance deposit	4,050,778	3,865,204
Advance against rent	175,915,071	175,839,604
Suspense account	106,053,766	140,378,949
Others	2,474,719,118	2,504,011,056
	2,796,938,162	2,836,364,711
Opening other assets		
Stationery in hand	8,960,384	9,483,941
Stamps and stamped forms in hand	3,309,514	3,170,134
Advance deposit	3,865,204	4,825,320
Advance against rent	175,839,604	146,136,367
Suspense account	140,378,949	59,416,347
Others	2,438,886,492	2,517,769,135
	2,771,240,147	2,740,801,244
Increase/(decrease) for the year	25,698,015	95,563,467
Off-shore banking unit	-	-
	25,698,015	**95,563,467**
39(a) Increase/(decrease) of consolidated other assets		
Closing other assets		
Stationery in hand	32,858,784	8,960,384
Stamps and stamped forms in hand	3,340,645	3,309,514
Advance deposit	4,050,778	3,865,204
Advance against rent	175,915,071	175,839,604
Suspense account	106,053,766	140,378,949
Others	380,742,643	236,641,986
	702,961,687	568,995,641
Opening other assets		
Stationery in hand	8,960,384	9,483,941
Stamps and stamped forms in hand	3,309,514	3,170,134
Advance deposit	3,865,204	4,825,320
Advance against rent	175,839,604	146,136,367
Suspense account	140,378,949	59,416,347
Others	215,476,333	248,632,285
	547,829,988	471,664,394
Increase/(decrease) for the year	**155,131,698**	**97,331,247**
40 Increase/(decrease) of other liabilities		
Conventional banking		
Closing other liabilities		
Interest suspense	1,923,576,313	1,719,322,140
Inter branch transaction account	101,080,591	124,362,842
	2,024,656,904	1,843,684,982

		2016 Taka	2015 Taka
	Opening other liabilities		
	Interest suspense	1,719,322,140	1,488,795,712
	Inter branch transaction account	124,362,842	254,763,149
		1,843,684,982	1,743,558,861
	Increase/(decrease) for the year	**180,971,922**	**100,126,121**
40(a)	**Increase/(decrease) of consolidated other liabilities**		
	NCC Bank Limited **(Note-40)**	180,971,922	100,126,121
	NCCB Securities and Financial Services Limited	-	245,895,518
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		180,971,922	**346,021,639**
41	**Cash and cash equivalents**		
	Conventional banking		
	Cash in hand	1,336,085,062	1,191,609,017
	Balance with Bangladesh Bank and Sonali Bank Limited	9,110,681,150	8,084,998,294
	Balance with other bank and financial institutions	4,945,063,641	4,228,305,117
	Prize bonds	8,878,100	5,612,200
		15,400,707,953	13,510,524,628
	Off-shore banking unit	-	-
		15,400,707,953	**13,510,524,628**
41(a)	**Consolidated cash and cash equivalents**		
	NCC Bank Limited **(Note-41)**	15,400,707,953	13,510,524,628
	NCCB Securities and Financial Services Limited	73,353,301	37,540,689
	NCCB Capital Limited	-	-
	NCCB Exchange (UK) Limited	-	-
		15,474,061,254	**13,548,065,317**
42	**Earnings per share (EPS)**		
	Net Profit after tax for the year	2,078,107,496	1,363,816,735
	Number of Ordinary share outstanding	883,218,003	883,218,003
	Earnings per share (EPS)	**2.35**	**1.54**

Earnings per share have been calculated in accordance with BAS-33 "Earnings per share".

42 (a)	**Consolidated earnings per share**		
	Net profit after tax for the year	2,079,040,079	1,385,384,882
	Number of ordinary share outstanding	883,218,003	883,218,003
	Consolidated earnings per share	**2.35**	**1.57**

Earnings per share have been calculated in accordance with BAS-33 "Earnings per share"

43 Events after the reporting period

The Board of Directors in its 355th meeting held on 10-04-2017 approved the financial statements and also authorized the same for public issue. The Board also decided to recommend payment of 16% (Sixteen percent) Cash dividend for the year 2016 for approval by the shareholders in the next ensuing Annual General Meeting (AGM). There are no other material events for disclosure.

Chairman | Director | Director | Managing Director & CEO

Annexure-A

NCC BANK LIMITED

BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS

Outside Bangladesh - Note 6.2

As on December 31, 2016

In demand deposit accounts (non interest bearing) with:

Name of the Bank	Currency Name	31-12-2016			31-12-2015		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.
AXIS Bank Ltd. Mumbai	ACU	232,393.57	78.70	18,289,885	10,331.15	78.50	810,995
Bank of Bhutan Ltd., Phuentsholing	ACU	26,756.62	78.70	2,105,805	42,096.47	78.50	3,304,573
Commerzbank AG, Frankfurt Am Main	EUR	75.25	81.91	6,163	-	-	-
Habib Metropolitan Bank Limited, Karachi	ACU	39,824.14	78.70	3,134,247	325,377.04	78.50	25,542,098
Habib American Bank, New York(OBU)	USD	650,084.86	78.70	51,163,109	648,399.56	78.50	50,899,365
ICICI Bank Limited, Kolkata	ACU	758.88	78.70	59,726	26,808.54	78.50	2,104,470
ICICI Bank Limited	USD	241.89	78.70	19,037	-	-	-
Mashreqbank Psc	USD	591.86	78.70	46,581	-	-	-
Mashreqbank Psc, Mumbai	ACU	375,068.34	78.70	29,518,704	-	-	-
Nations Trust Bank Plc, Colombo	ACU	87,623.46	78.70	6,896,159	24,886.29	78.50	1,953,574
Nepal Bangladesh Bank Ltd., Kathmandu	ACU	39,621.62	78.70	3,118,309	139,226.62	78.50	10,929,290
Standard Chartered Bank, Singapore	SGD	359,514.00	54.28	19,513,485	52,733.22	55.50	2,926,931
Standard Chartered Bank, Tokyo	J.YEN	2,075,004.67	0.67	1,392,951	1,719,463.00	0.65	1,120,402
Standard Chartered Bank, Kolkata	ACU	588,103.72	78.70	46,285,057	166,615.03	78.50	13,079,280
Standard Chartered Bank, London	GBP	3,891.36	96.21	374,372	418,546.21	116.27	48,662,861
Standard Chartered Bank, Frankfurt Am Main	EUR	168,728.95	81.91	13,819,812	86,613.47	85.80	7,431,479
Sonali Bank (UK) Limited, London	GBP	459.42	96.21	44,199	-	-	-
Sonali Bank Limited, Kolkata	ACU	25,846.78	78.70	2,034,198	195,171.91	78.50	15,320,995
Sonali Bank (UK) Limited, London	USD	370.04	78.70	29,123	411,572.74	78.50	32,308,460
The Bank of Tokyo Mitsubishi UFJ Ltd, Tokyo	J.YEN	951.38	0.67	639	1,732,980.00	0.65	1,129,210
Tokyo Mitsubishi, Kolkata	ACU	3.04	78.70	239	-	-	-
United Bank Ltd., Karachi	ACU	83,116.09	78.70	6,541,419	109,611.25	78.50	8,604,483
Unicredit Spa, Milan	EUR	209,612.94	81.91	17,168,432	112,967.91	85.80	9,692,703
Wells Fargo Bank, NA	USD	115,242.96	78.70	9,069,874	-	-	-
				230,631,525			**235,821,169**

In demand deposit account (interest bearing) with :

CITI Bank NA, New York	USD	312,355.87	78.70	24,583,094	422,786.97	78.50	33,188,777.16
Standard Chartered Bank, New York	USD	1,459,931.60	78.70	114,899,829	-	-	-
Westpac Banking Corporation, Australia	AUD	21,470.83	56.48	1,212,602	21,945.98	57.20	1,255,202.52
				140,695,525			**34,443,980**
				371,327,049			**270,265,149**

Annexure-B

NCC BANK LIMITED

Investment in Shares

As on December 31, 2016

Sl. No	Name of Company	Face Value	No. of Shares	Cost value	Market Value per share as on 31.12.2016	Total Market Value as at 31.12.2016
	Quoted					
1	AB Bank Limited	10	137,113	6,219,000	22.30	3,057,620
2	Advance Chemical Industries Limited	10	85,000	38,785,319	385.50	32,767,500
3	Agrani Insurance Co. Limited	10	153,412	8,774,040	24.00	3,681,888
4	Al-Arafah Islami Bank Limited	10	3,068,970	71,392,368	15.90	48,796,623
5	Asia Insurance Limited	10	77,339	5,809,122	19.40	1,500,377
6	Asia Pacific General Insurance Limited	10	790,500	30,603,248	19.20	15,177,600
7	Bank Asia Limited	10	1,423,671	28,890,612	17.90	25,483,711
8	Bata Shoe Co. (BD) Limited	10	5,000	3,368,950	1,142.00	5,710,000
9	Bay Leasing & Investment Limited	10	930,584	66,145,144	24.50	22,799,308
10	Bangladesh Auto Cars Limited	10	409	1,965	76.70	31,370
11	Beximco Limited	10	76,516	4,872,875	26.00	1,989,416
12	Bangladesh General Insurance Co.	10	110,250	5,392,872	19.20	2,116,800
13	Bangladesh Submarine Cable Company Limited	10	157,850	25,969,818	118.60	18,721,010
14	BSRM Steel Limited	10	100,000	9,324,638	92.80	9,280,000
15	Dacca Dyeing & Manufacturing Co. Limited	10	175,159	6,540,520	9.00	1,576,431
16	Dhaka Electric Supply Company Limited	10	1,036,616	72,012,264	46.30	47,995,321
17	Eagle Star Textile Mills Limited	10	254,700	4,227,951	9.90	2,521,530
18	Eastern Bank Limited	10	311,610	10,382,818	29.00	9,036,690
19	Envoy Textile Limited	10	153,000	5,739,322	38.80	5,936,400
20	Family Textile	10	60,060	1,572,746	9.80	588,588
21	Fareast Life Insurance Co. Limited	10	67,677	6,922,554	67.70	4,581,733
22	First Lease Finance & Investment Limited	10	48,123	1,178,613	10.20	490,855
23	Fortune Shoes Limited	10	10,063	100,630	52.20	525,289
24	GBP Power Limited	10	152,087	3,960,512	20.30	3,087,366
25	Grameenphone Limited	10	90,000	22,635,437	284.10	25,569,000
26	GPH Ispat Limited	10	217,625	7,386,302	34.30	7,464,538
27	Green Delta Insurance Co. Limited	10	177,285	16,038,868	49.70	8,811,065
28	Investment Corporation Bangladesh	10	140,000	18,066,701	104.50	14,630,000
29	ICB Islamic Bank Limited	10	400,100	2,624,656	5.10	2,040,510
30	IDLC Finance Limited	10	382,406	25,566,544	57.00	21,797,142
31	Jamuna Bank Limited	10	774,650	18,278,045	15.60	12,084,540
32	Jamuna Oil Company Limited	10	195,300	38,446,269	181.60	35,466,480
33	Karnaphuli Insurance company Limited	10	163,280	5,789,881	15.70	2,563,496
34	Khulna Power Co. Limited	10	300,000	21,628,851	62.50	18,750,000
35	Lafarge Surma Cement Limited	10	100,000	4,598,238	82.10	8,210,000
36	Lanka Bangla Finance Limited	10	1,601,339	81,920,858	34.80	55,726,597
37	Makson Spinning Mills Limited	10	253,229	6,576,456	8.50	2,152,447
38	Mercantile Bank Limited	10	222,530	4,152,810	15.10	3,360,203
39	Mercantile Insurance Co. Limited	10	591,920	19,321,039	16.50	9,766,680
40	MI Cement Factory Limited	10	40,000	3,221,416	82.50	3,300,000
41	MJL Bangladesh Limited	10	58,190	7,264,320	119.60	6,959,524
42	Meghna Petroleum Limited	10	110,193	17,750,513	170.40	18,776,887
43	Navana CNG Limited	10	707,890	53,162,602	72.90	51,605,181
44	National Bank Limited	10	1,270,413	25,531,210	10.20	12,958,213
45	Olympic Industries Limited	10	46,900	12,390,377	307.90	14,440,510
46	Padma Oil Company Limited	10	45,804	10,866,255	180.20	8,253,881
47	Phoenix Finance and Investment Limited	10	160,000	6,168,182	26.90	4,304,000
48	Peoples Leasing & Financial Services Limited	10	668,896	36,134,880	9.50	6,354,512
49	Power Grid Co. Bangladesh Limited	10	27,500	1,731,905	54.00	1,485,000
50	Premier Leasing & Finance Limited	10	410,019	12,800,426	14.20	5,822,270
51	Prime Islami Life Insurance Company Limited	10	4,767	357,126	67.90	323,679
52	Prime Textile Mills Limited	10	10,000	598,840	23.10	231,000
53	Pubali Bank Limited	10	701,790	32,877,219	24.00	16,842,960
54	R.N. Spinning Mills Limited	10	1,256,500	50,171,728	25.10	31,538,150
55	Rupali Insurance Limited	10	242,015	9,892,089	18.50	4,477,278
56	Saiham Textile	10	42,262	1,193,306	15.90	671,966

Sl. No	Name of Company	Face Value	No. of Shares	Cost value	Market Value per share as on 31.12.2016	Total Market Value as at 31.12.2016
57	Summit Alliance Port Limited	10	300,000	17,053,007	51.50	15,450,000
58	Shahjalal Islami Bank Limited	10	810,524	17,854,098	15.00	12,157,860
59	South East Bank Limited	10	1,042,250	34,017,583	18.70	19,490,075
60	Square Textiles Limited	10	437,618	36,097,311	69.20	30,283,166
61	Square Pharmaceuticals Limited	10	92,000	14,110,660	249.10	22,917,200
62	Summit Power Limited	10	1,495,393	61,407,660	37.00	55,329,541
63	Titas Gas Transmission & Distribution Co. Limited	10	1,059,050	90,355,186	49.40	52,317,070
64	Union Capital Limited	10	61,174	2,665,589	20.50	1,254,067
65	Unique Hotel & Resorts Limited	10	266,400	31,553,613	53.90	14,358,960
66	United Airways (BD) Limited	10	1,680,448	33,362,945	6.90	11,595,091
67	Uttara Bank Limited	10	153,049	9,018,594	24.70	3,780,310
68	Yeakin Polymer Limited	10	1,141	10,373	30.40	34,686
		Total Quoted Share :		**1,340,837,870**		**923,159,158**
	Un-Quoted					
1	Bangladesh Rating Agency Limited	100	41,659	4,165,900	-	4,165,900
2	Central Depository Bangladesh Limited (CDBL)	3.43	1,142,361	3,138,890	-	3,138,890
3	MSF Asset Management Company		-	2,000,000	-	2,000,000
4	Summit Barisal Power Limited	10	14,000,000	140,000,000	-	140,000,000
5	Star Ceramics Ltd.	10	10,000,000	100,000,000	-	100,000,000
6	SWIFT	991199	14	2,843,073	-	2,843,073
7	Venture Investment Partner Bangladesh Limited	96.15	202,176	18,000,000	-	18,000,000
		Total Quoted Share :		**270,147,863**		**270,147,863**
	Mutual Fund					
1	Green Delta Mutual Fund	10	2,540,000	24,097,776	7.30	18,542,000
2	NCCBL Mutual Fund-1	10	6,700,680	47,979,044	7.30	48,914,964
3	MBL 1st Mutual Fund	10	1,000,000	10,000,000	7.20	7,200,000
4	NCCBL Mutual Fund	10	15,000,000	150,000,000	7.30	109,500,000
5	NLI 1st Mutual Fund	10	2,067,665	19,155,939	13.10	27,086,412
6	SEBL 1st Mutual Fund	10	3,300,000	30,909,091	12.20	40,260,000
7	Trust Bank 1st Mutual Fund	10	198,289	1,520,970	6.00	1,189,734
	Total Mutual Fund :			**283,662,820**		**252,693,110**
	Grand Total :			**1,894,648,553**		**1,446,000,131**

Calculation of required provision against investment in shares:

SL. No.	Particulars		Cost Value	Value Considered for maintaining provision	Required Provision	Remarks
1	Quoted		1,340,837,870	923,159,158	(417,678,712)	Considered Market Value
2	Un-Quoted		270,147,863	270,147,863	-	
3	Mutual Fund		283,662,820	300,944,201	17,281,381	Considered NAV as per B.B DOS Circular No-10 dated 28 June 2015
	Grand Total		**1,894,648,553**	**1,494,251,222**	**(400,397,331)**	

Total market value of shares is lesser than cost price by Tk. 448,648,422/- against which provision of Tk. 400,397,331/- is appearing in these financial statements. As per DOS Circular No-10 dated 28 June 2015 reduced market value of mutual fund amounting to Taka 30,969,710/- was not considered in calculating required provision.

NCC BANK LIMITED

Annexure-C

Statement of Large Loan Exposure more than 10% of Total Capital of the Bank (Note-9.7)

As on December 31, 2016

(Amount in Crore)

Sl. No	Name of Clients	2016 Taka			2015 Taka		
		Outstanding		Total Amount	Outstanding		Total Amount
		Funded	Non-Funded		Funded	Non-Funded	
1	Doreen Power Generation & Systems Ltd.	359.50	75.28	434.78	376.00	36.65	412.65
2	Max Pre-Stress & Max Automobiles Ltd.	139.17	675.37	814.54	94.93	277.57	372.50
3	Ziri Subader Steel Re-Rolling Mills	195.60	9.33	204.93	142.03	181.48	323.51
4	Abul Khair Steel Industries Ltd.	151.57	172.92	324.49	170.25	138.60	308.85
5	NCCB Securities & Financial Services Limited	177.95	52.00	229.95	188.04	52.00	240.04
6	Sanzi Textile Mills & Allied Concern	-	-	-	167.50	50.45	217.95
7	Partex Group	168.55	20.03	188.58	191.94	19.26	211.20
8	Saad Musa Home Tex & Clothing Ltd.	-	-	-	151.50	53.53	205.03
9	DAF P.P. Ind. & allied concern	162.61	75.33	237.94	152.74	40.57	193.31
10	BRB Cable Industries Ltd.	-	-	-	150.67	37.76	188.43
11	City Group	99.73	99.44	199.17	102.82	81.23	184.05
12	Pran Agro Ltd.	156.75	54.89	211.64	177.34	2.40	179.74
13	Metro Group (Best Holdings Ltd.)	189.63	-	189.63	178.61	-	178.61
14	Navana Group	136.22	98.12	234.34	-	-	-
15	Apex Group	220.73	4.00	224.73	-	-	-
16	Brac	199.99	-	199.99	-	-	-
17	Summit Group	210.82	-	210.82	-	-	-
	Grand -Total	**2,568.82**	**1,336.71**	**3,905.53**	**2,244.37**	**971.50**	**3,215.87**

NCC BANK LIMITED

Fixed Assets Schedule

As on December 31, 2016

Annexure-D

Particulars	Cost/Revaluation				Depreciation				Written Down Value (WDV) as on 31 December 2016
	Balance as on 1 January 2016	Additions during the year	(Disposals) / adjustments during the year	Balance as on 31 December 2016	Balance as on 1 January 2016	Charge for the year	(Disposals)/ adjustments during the year	Balance as on 31 December 2016	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land	451,906,672	-	-	451,906,672	-	-	-	-	451,906,672
Buildings and Office Premises:									
Building (Head Office premise on Land - 1)	596,609,218	5,485,899	-	602,095,117	14,859,293	14,614,015	-	29,473,308	572,621,809
Building (Structure on Land -2)	2,287,523	-	-	2,287,523	372,773	47,869	-	420,642	1,866,881
Dhanmondi Branch	102,180,815	-	-	102,180,815	13,386,910	2,219,848	-	15,606,758	86,574,057
Islampur Branch	56,785,217	-	-	56,785,217	7,860,019	1,223,130	-	9,083,149	47,702,068
Savar Branch	35,597,332	-	-	35,597,332	4,732,442	771,622	-	5,504,064	30,093,268
Bijoynagar Branch	99,179,248	-	-	99,179,248	11,950,232	2,180,725	-	14,130,957	85,048,291
Pragoti Sarani Branch	64,779,730	-	-	64,779,730	8,349,101	1,410,766	-	9,759,867	55,019,863
Uttara Branch	70,347,200	-	-	70,347,200	8,534,597	1,545,315	-	10,079,912	60,267,288
Agrabad Branch	60,682,473	-	-	60,682,473	7,273,946	1,335,213	-	8,609,159	52,073,314
Elephant Road Branch	85,401,266	-	-	85,401,266	10,164,887	1,880,909	-	12,045,796	73,355,470
Mitford Branch	23,264,107	-	-	23,264,107	2,613,566	516,264	-	3,129,830	20,134,277
O. R. Nizam Road Branch	135,711,537	-	-	135,711,537	13,482,266	3,055,732	-	16,537,998	119,173,539
Total Land, Buildings & Office Premises	**1,784,732,337**	**5,485,899**	-	**1,790,218,236**	**103,580,032**	**30,801,407**	-	**134,381,439**	**1,655,836,797**
Furniture & fixture	610,596,227	49,493,475	(15,902,580)	644,187,122	237,722,327	52,076,715	(10,780,731)	279,018,311	365,168,811
Machinery & equipment	761,097,047	32,434,140	(54,975)	793,476,212	357,803,374	90,982,864	(54,975)	448,731,263	344,744,949
Computer equipment	381,656,938	17,151,572	(12,854,885)	385,953,625	261,478,621	42,098,296	(10,950,813)	292,626,104	93,327,521
Vehicles	123,284,446	7,845,478	-	131,129,924	72,605,124	17,473,175	-	90,078,299	41,051,625
December -2016 Total	**3,661,366,995**	**112,410,564**	**(28,812,440)**	**3,744,965,119**	**1,033,189,478**	**233,432,457**	**(21,786,519)**	**1,244,835,416**	**2,500,129,703**
December -2015 Total	**3,391,193,402**	**299,806,514**	**(29,632,921)**	**3,661,366,995**	**817,941,297**	**237,272,455**	**(22,024,274)**	**1,033,189,477**	**2,628,177,518**

Annexure-E

NCC BANK LIMITED

Borrowings from other banks, Financial Institutions and agents. (Outside Bangladesh) - Note -12.1

As on December 31, 2016

Name of the Bank	Currency Name	2016			2015		
		Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.	Amount in Foreign Currency	Conversion rate per unit F.C.	Amount in BDT.
ICICI Bank Limited, HKK	USD	-	-	-	914,288.04	78.50	71,771,611
Mashreq Bank Psc, Mumbai	ACU	-	-	-	17,324.54	78.50	1,359,976
Sonali Bank (UK) Limited, London	GBP	-	-	-	3,902.52	116.27	453,732
Commerzbank AG, Frankfurt Am Main	EUR	-	-	-	79,416.07	85.80	6,813,939
Mashreq Bank Psc N.Y	USD	-	-	-	242,726.15	78.50	19,054,003
Wells Fargo Bank, N.A, New York	USD	-	-	-	340,052.33	78.50	26,694,108
Standard Chartered Bank, N.Y	USD	-	-	-	3,686,591.58	78.50	289,397,439
				-			**415,544,808**

NCC BANK LIMITED

Corporate Tax Position

As on December 31, 2016

Annexure-F

Accounting Year	Assessment Year	Current Tax Provision as per accounts	Tax Liability as per Assessment Order/Return	Excess/ (Shortage) provision	Advance Income Tax paid	Dues/ (Refund)	Remarks
1	2	3	4	5=(3-4)	6	7=(4-6)	8
Up to 2000	-	142,334,958	213,676,031	(71,341,073)	215,471,134	(1,795,103)	Assessment Completed
2001	2002-2003	119,081,542	146,692,885	(27,611,343)	139,829,928	6,862,957	Judgment received from High Court Division but revised assessment order yet to receive.
2002	2003-2004	171,702,723	177,842,495	(6,139,772)	177,842,495	-	Assessment Completed
2003	2004-2005	255,478,335	86,888,016	168,590,319	159,999,990	(73,111,974)	Judgment received from High Court Division but revised assessment order yet to receive.
2004	2005-2006	160,339,772	222,971,622	(62,631,850)	226,708,126	(3,736,504)	Assessment Completed
2005	2006-2007	328,285,074	322,779,734	5,505,340	322,779,734	-	Assessment Completed
2006	2007-2008	574,346,619	571,482,876	2,863,743	547,620,741	23,862,135	Reference to High Court Division
2007	2008-2009	658,972,487	765,003,802	(106,031,315)	739,195,123	25,808,679	Reference to High Court Division
2008	2009-2010	886,681,988	842,159,000	44,522,988	828,728,119	13,430,881	Reference to High Court Division
2009	2010-2011	780,131,543	815,826,019	(35,694,476)	796,981,982	18,844,037	Reference to High Court Division
2010	2011-2012	1,082,996,677	1,223,524,512	(140,527,835)	1,134,075,103	89,449,409	Reference to High Court Division
2011	2012-2013	1,423,823,445	1,450,710,827	(26,887,382)	1,409,879,461	40,831,366	Revised assessment order received but department reference to High Court Division.
2012	2013-2014	1,311,459,496	1,331,302,532	(19,843,036)	1,331,302,532	-	Return filed u/s-82BB but assessment order yet to receive.
2013	2014-2015	1,204,981,256	1,063,429,734	141,551,522	1,063,429,734	-	Return filed u/s-82BB but assessment order yet to receive.
2014	2015-2016	869,355,654	673,691,256	195,664,398	673,691,256	-	Return filed u/s-82BB but assessment order yet to receive.
2015	2016-2017	893,261,811	1,001,861,572	(108,599,761)	1,001,861,572	-	Return filed u/s-82BB but assessment order yet to receive.
2016	2017-2018	1,464,160,915	-	-	699,557,659	-	Return to be filed on 15 July 2017
Total		12,327,394,295	10,909,842,913	(46,609,533)	11,468,954,689	140,445,883	

NCC BANK LIMITED

Annexure-G

Computation of Risk Weighted Assets (RWA)-Solo Basis as on 31 December 2016
Total Risk Weighted Assets (RWA)

Figure in Crore taka where applicable

Particulars	December 31,2016	December 31,2015
A. Credit Risk:		
On-Balance Sheet	11,161.55	9,118.10
Off-Balance Sheet	2,109.39	1,829.72
B. Market Risk	295.73	248.04
C. Operational Risk	1,181.68	1,079.40
Total Risk Weighted Assets (A+B+C)	**14,748.35**	**12,275.26**

a. i) Risk Weighted Assets for Credit Risk On Balance Sheet Exposure

Sl. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a)	Cash		0%	133.61	-	119.16	-
b)	Claims on Bangladesh Government and Bangladesh Bank		0%	2,421.30	-	2,713.41	-
	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c)	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
			0%	-	-	-	-
d)	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB	1	20%	-	-	-	-
	ii) Other MDBs	2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
		1	20%	-	-	-	-
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f)	Claims on Banks and NBFIs	1	20%	-	-	-	-
	i) Original maturity over 3 months	2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	463.37	463.37	418.9417746	418.94
			20%	248.85	49.77	224.18	44.84
	ii) Original maturity up to 3 months	1	20%	286.12	57.22	580.6595861	116.13
g)	Claims on Corporate	2	50%	2,144.22	1,072.11	1608.74343	804.37
		3,4	100%	937.76	937.76	1121.338611	1,121.34
		5,6	150%	-	-	-	-
		Unrated	125%	983.97	1,229.96	855.42	1,069.28
		SME 1	20%	-	-	-	-
h)	Claims on SME	SME 2	40%	224.77	89.91	12.39	4.95
		SME 3	60%	212.50	127.50	65.01	39.00
		SME 4	80%	94.64	75.72	210.60	168.48
		SME 5	120%	-	-	19.70	23.64
		SME 6	150%		-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	867.64	650.73	741.34	556.00
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	4,012.53	4,012.53	2,317.64	2,317.64

Sl. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
i)	Claims under Credit Risk Mitigation	PSE	N/A	-	-	-	-
		Banks & NBFIs	N/A	-	-	-	-
		Corporate	N/A	194.88	23.62	172.53	15.77
		Retail & Small	N/A	262.17	8.42	221.2128	5.66
		Cons.Finance	N/A	-	-	-	-
		Res. Property	N/A	-	-	-	-
		Comm. Real estate	N/A	-	-	-	-
j)	Claims categorized as retail portfolio (excluding SME Consumer Finance & Staff loan) up to 1 crore		75%	313.23	234.92	380.08	285.06
k)	Consumer Loan		100%	113.45	113.45	109.42	109.42
l)	Claims fully secured by residential property		50%	136.02	68.01	145.10	72.55
m)	Claims fully secured by commercial real estate		100%	212.99	212.99	296.98	296.98
n)	1. Past due claims (Risk weights are to be assigned net of specific provision)						
	Where specific provisions are less than 20 percent of the outstanding amount of the past due claim		150%	149.89	224.84	287.30	430.95
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.		100%	143.84	143.84	120.0265341	120.03
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.		50%	57.83	28.92	38.25863	19.13
	2. Claims fully secured against residential property that are past due for more than 90 days and /or impaired and specific provision held there-against is less than 20% of outstanding amount.		100%	38.71	38.71	35.8409	35.84
	3. Loans and Claims fully secured against residential property that are past due for more than 90 days and or impaired and specific provision held there-against is more than 20% of outstanding amount.		75%	4.07	3.05	4.094225885	3.07
o)	Capital Market Exposures		125%	180.84	226.05	188.42	235.52
p)	Unlisted equity investments and regulatory Capital instruments issued by other banks (Other than those deducted from capital) held in the banking book		125%	373.07	466.34	257.58	321.98
q)	Investments in venture capital		150%	-	-	-	-
r)	Investments in premises, plant and equipment and all other fixed assets		100%	250.01	250.01	262.82	262.82
s)	Claims on all fixed assets under operating lease		100%	-	-	-	-
t)	All other assets:						
	i) Claims on GoB & BB		0%	67.01	-	74.79	-
	ii) Staff Loans		20%	60.00	12.00	59.69	11.94
	iii) Cash items in Process of Collection		20%	0.00	0.00	0.09	0.02
	iv) Claims on offshore Banking Unit		100%	249.04	249.04	118.526	118.53
	iv) Other assets (not specified above) [net of specific provision if any		100%	90.76	90.76	88.23	88.23
	Total			**15,929.09**	**11,161.55**	**13,869.50**	**9,118.10**

a ii). Risk Weighted Assets for Off-balance sheet exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a.	Claims on Bangladesh Government and Bangladesh Bank		0%	-	-	-	-
b.	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c.	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
d.	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-
	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e.	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		1,2	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f.	Claims on Banks and NBFIs			-	-	-	-
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	-	-	-	-
	ii) Original maturity less than 3 months		20%	-	-	-	-
g)	Claims on Corporate	1	20%	328.97	65.79	469.92	93.98
		2	50%	695.32	347.66	487.23	243.61
		3,4	100%	295.56	295.56	408.44	408.44
		5,6	150%	-	-	-	-
		Unrated	125%	29.78	37.23	390.80	488.50
h)	Claims on SME	SME 1	20%	-	-	-	-
		SME 2	40%	9.32	3.73	-	-
		SME 3	60%	257.60	154.56	6.15	3.69
		SME 4	80%	22.64	18.11	265.06	212.05
		SME 5	120%	-	-	-	-
		SME 6	150%	-	-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	113.79	85.34	108.11	81.09
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	1,101.41	1,101.41	298.36	298.36

SL. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
i)	Claims against retail portfolio and small & medium enterprise (excluding consumer loan)		75%	-	-	-	-
j)	Consumer Loan		100%	-	-	-	-
k)	Claims fully secured by residential property		50%	-	-	-	-
l)	Claims fully secured by commercial real estate		100%	-	-	-	-
m	Investments in venture capital		150%	-	-	-	-
n	All other assets		100%	-	-	-	-
	Total			**2,854.39**	**2,109.39**	**2,434.07**	**1,829.72**

b. Risk Weighted Assets for Market Risk Balance Sheet Exposure

Sl. No	Particulars	Capital Charge for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk	Risk Weighted Assets against Market Risk	
					December 31,2016	December 31,2015
A.	Interest Rate Related Instruments	-	0.05	0.05	**0.50**	**12.33**
B.	Equities	12.24	12.24	24.48	**244.82**	**217.62**
C.	Foreign Exchange Position	-	5.04	5.04	**50.40**	**18.09**
	Total (A+B+C)	**12.24**	**17.33**	**29.57**	**295.73**	**248.04**

c. Risk Weighted Assets for Operational Risk

SL. No.	Year	Gross Income	Average Gross Income	Capital Charge for Operational Risk	Risk Weighted Assets against Operational Risk	
					December 31,2016	December 31,2015
A.	2014	723.19	787.79	118.17	**1,181.68**	**1,079.40**
B.	2015	784.85				
C.	2016	855.32				

Computation of Risk Weighted Assets (RWA)-Consolidated Basis

Total Risk Weighted Assets (RWA)

Particulars	December 31,2016	December 31,2015
A. Credit Risk:		
On-Balance Sheet	11,309.50	9,242.40
Off-Balance Sheet	2,109.39	1,829.73
B. Market Risk	303.31	257.68
C. Operational Risk	1,312.19	1,183.71
Total Risk Weighted Assets (A+B+C)	**15,034.39**	**12,513.52**

a. i) Risk Weighted Assets for Credit Risk On Balance Sheet Exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a)	Cash		0%	142.83	-	119.16	-
b)	Claims on Bangladesh Government and Bangladesh Bank		0%	2,421.30	-	2,713.41	-
	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c)	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
d)	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-
	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e)	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f)	Claims on Banks and NBFIs						
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	463.37	463.37	418.9417746	418.94
	ii) Original maturity up to 3 months		20%	399.60	79.92	263.91	52.78
g)	Claims on Corporate	1	20%	286.12	57.22	580.6595861	116.13
		2	50%	2,144.22	1,072.11	1608.74	804.37
		3,4	100%	937.76	937.76	1121.338611	1,121.34
		5,6	150%		-	-	-
		Unrated	125%	983.97	1,229.96	855.42	1,069.28
h)	Claims on SME	SME 1	20%	-	-	-	-
		SME 2	40%	224.77	89.91	12.39	4.95
		SME 3	60%	212.50	127.50	65.01	39.00
		SME 4	80%	94.64	75.72	210.60	168.48
		SME 5	120%	-	-	19.70	23.64
		SME 6	150%	-	-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	867.64	650.73	741.34	556.00
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	4,012.53	4,012.53	2,317.64	2,317.64
i)	Claims under Credit Risk Mitigation	PSE	N/A	-		-	
		Banks & NBFIs	N/A	-		-	
		Corporate	N/A	194.88	23.62	172.53	15.77
		Retail & Small	N/A	115.83	6.42	98.24	3.85
		Cons.Finance	N/A	146.34	2.01	122.97	1.81
		Res. Property	N/A	-	-	-	-
		Comm. Real estate	N/A	-	-	-	-

SL. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
k)	Consumer Loan		100%	113.45	113.45	109.42	109.42
l)	Claims fully secured by residential property		50%	136.02	68.01	145.10	72.55
m)	Claims fully secured by commercial real estate		100%	212.99	212.99	296.98	296.98
n)	1. Past due claims (Risk weights are to be assigned net of specific provision)						
	Where specific provisions are less than 20 percent of the outstanding amount of the past due claim		150%	149.89	224.84	287.30	430.95
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.		100%	143.84	143.84	120.03	120.03
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.		50%	57.83	28.92	38.26	19.13
	2. Claims fully secured against residential property that are past due for more than 90 days and /or impaired and specific provision held there-against is less than 20% of outstanding amount.		100%	38.71	38.71	35.84	35.84
	3. Loans and Claims fully secured against residential property that are past due for more than 90 days and or impaired and specific provision held there-against is more than 20% of outstanding amount.		75%	4.07	3.05	4.09	3.07
o)	Capital Market Exposures		125%	484.58	605.72	500.09	625.12
p)	Unlisted equity investments and regulatory Capital instruments issued by other banks (Other than those deducted from capital) held in the banking book		125%	150.01	187.51	34.52	43.15
q)	Investments in venture capital		150%	-	-	-	-
r)	Investments in premises, plant and equipment and all other fixed assets		100%	251.42	251.42	264.20	264.20
s)	Claims on all fixed assets under operating lease		100%	-	-	-	-
t)	All other assets:						
	i) Claims on GoB & BB		0%	91.41	-	97.60	-
	ii) Staff Loans		20%	60.00	12.00	59.69	11.94
	iii) Cash items in Process of Collection		20%	0.00	0.00	0.09	0.02
	iv) Claims on offshore banking Unit		100%	249.04	249.04	118.53	118.53
	v) Other assets (not specified above) [net of specific provision if any]		100%	106.31	106.31	92.44	92.44
	Total			**16,211.09**	**11,309.50**	**14,026.26**	**9,242.40**

a ii). Risk Weighted Assets for Off-balance sheet exposure

SL. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a.	Claims on Bangladesh Government and Bangladesh Bank		0%	-	-	-	-
b.	Claims on other Sovereigns & Central Banks		0%	-	-	-	-
c.	Claims on Bank for International Settlements International Monetary Fund and European Central Bank		0%	-	-	-	-
d.	Claims on Multilateral Development Banks (MDBs)		0%	-	-	-	-
	i) IBRD, IFC, ADB, AFDB, EBRD, IADB, EIB, EIF, NIB, CDB, CEDB		0%	-	-	-	-
	ii) Other MDBs	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
e.	Claims on Public Sector Entities (other than Government) in Bangladesh	1	20%	-	-	-	-
		1,2	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	50%	-	-	-	-
f.	Claims on Banks and NBFIs			-	-	-	-
	i) Original maturity over 3 months	1	20%	-	-	-	-
		2,3	50%	-	-	-	-
		4,5	100%	-	-	-	-
		6	150%	-	-	-	-
		Unrated	100%	-	-	-	-
	ii) Original maturity less than 3 months		20%	-	-	-	-
g)	Claims on Corporate	1	20%	328.97	65.79	469.92	93.98
		2	50%	695.32	347.66	487.23	243.61
		3,4	100%	295.56	295.56	408.43	408.43
		5,6	150%	-	-	-	-
		Unrated	125%	29.78	37.23	390.80	488.50
h)	Claims on SME	SME 1	20%	-	-	-	-
		SME 2	40%	9.32	3.73	-	-
		SME 3	60%	257.60	154.56	6.15	3.69
		SME 4	80%	22.64	18.11	265.06	212.05
		SME 5	120%	-	-	-	-
		SME 6	150%	-	-	-	-
		Unrated (Small enterprise & <BDT 3.00M)	75%	113.79	85.34	108.11	81.09

SL. No.	Particulars	Bangladesh Bank's Rating Grade	December 31,2016			December 31,2015	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
		Unrated (Small enterprise having> BDT 3.00M & medium enterprise)	100%	1,101.41	1,101.41	298.37	298.37
i)	Claims against retail portfolio and small & medium enterprise (excluding consumer loan)		75%	-	-	-	-
j)	Consumer Loan		100%	-	-	-	-
k)	Claims fully secured by residential property		50%	-	-	-	-
l)	Claims fully secured by commercial real estate		100%	-	-	-	-
m	Investments in venture capital		150%	-	-	-	-
n	All other assets		100%	-	-	-	-
	Total			**2,854.39**	**2,109.39**	**2,434.07**	**1,829.73**

b. Risk Weighted Assets for Market Risk Balance Sheet Exposure

Sl. No	Particulars	Capital Charge for Specific Risk	Capital Charge for General Market Risk	Total Capital Charge for Market Risk	Risk Weighted Assets against Market Risk	
					December 31,2016	December 31,2015
A.	Interest Rate Related Instruments	-	0.05	0.05	0.50	12.33
B.	Equities	12.62	12.62	25.24	252.41	227.26
C.	Foreign Exchange Position	-	5.04	5.04	50.40	18.09
	Total (A+B+C)	**12.62**	**17.71**	**30.33**	**303.31**	**257.68**

c. Risk Weighted Assets for Operational Risk

SL. No.	Year	Gross Income	Average Gross Income	Capital Charge for Operational Risk	Risk Weighted Assets against Operational Risk	
					December 31,2016	December 31,2015
A.	2014	789.33	874.79	131.22	**1,312.19**	**1,183.71**
B.	2015	881.34				
C.	2016	953.71				

NCC BANK LIMITED

Annexure-H

Statement of the Name of the Directors and the entities in which they have interest as on 31 December 2016

Sl. No	Name of Directors	Status with the NCCBL	Name of the firms/companies in which interested as proprietor, partner, Director,managing agent, guarantor, employee etc.	% of interest
1	Mr. Abdus Salam	Chairman	The Bengal Electric Ltd., Managing Director	70.00%
			Multiple Equipment & Engineering Ltd., Managing Director	60.00%
			Gangatia Fisheries Ltd., Managing Director	20.00%
			Bengal Shipyard Ltd., Managing Director	25.00%
2	Mr. A.S.M. Main Uddin Monem	Vice Chairman	Abdul Monem Limited, Director	15.00%
			Abdul Monem Sugar Refinery Limited, Director	12.95%
			Igloo Foods Limited, Director	15.38%
			AM Securities & Financial Services Limited., Managing Director	93.33%
			AM Energy Limited, Director	15.00%
			Igloo Ice Cream Limited, Director	16.67%
			Novus Pharmaceuticals Limited. ,Managing Director	14.93%
			Igloo Dairy Limited, Director	18.18%
			AM Channel Limited, Director	25.00%
			AM Auto Bricks Limited, Director	20.00%
			AM Bran Oil Company Limited, Director	9.80%
			AM Asphalt & Ready Mix Limited, Director	20.00%
			Abdul Monem Economic Zone Limited, Managing Director	37.35%
			AM Foods Limited, Director	25.00%
			AM Development limited, Director	25.00%
			AML Power Limited. ,Director	10.00%
			AML Power Infotech Limited, Director	10.00%
			AM Pharma Limited., Managing Director	18.00%
			AM Beverage Limited. ,Director	20.00%
			AM Consulting Limited, Managing Director	33.33%
			MM Holdings Limited, Managing Director	98.00%
			AM Capital & Investment Limited, Managing Director	94.00%
			AM Agricultural Products Limited, Director	33.33%
			Millennium Cement Limited, Director	10.00%
			Joinab Enterprise, Proprietorship	100.00%
			Joinab Overseas, Proprietorship	100.00%
			Pragati Insurance Company Limited, Shareholder	0.20%
3	Mr. S.M. Abu Mohsin	Director	Continental Insurance Limited, Director	3.77%
			Alliance Deep Sea Fishings Ltd, Chairman	12.50%
			Brothers Oxygen Ltd., Managing Director	80.00%
			Food of Accommodation Limited, Chairman	33.32%
			Rainbow CNG Service Station Ltd., Managing Director	58.50%
4	Mrs. Sohela Hossain	Director	Mir Akhter Hossain Ltd., Director	15.00%
			Mir Cement Ltd., Director	25.00%
			Mir Real Estate Ltd., Director	25.00%
			Mir Concrete Products Ltd., Director	25.00%
			Mir Telecom Ltd., Chairman	12.37%
			Mir Power Ltd., Director	25.00%
			Mir Group of Companies Ltd., Director	25.00%
			Mir Supply Chain Ltd., Director	25.00%
			Rego Communications Ltd., Director	25.00%
5	Mr. Md. Abdul Awal	Director	Unique Steel Industries Ltd., Managing Director	8.33%
			Steel Enterprise Ltd., Managing Director	0.49%
			Prime Steel Re-Rolling Mills Ltd., Managing Director	0.265%
			Jahanabad Ship Breakers Ltd., Chairman	50.00%
			Prime Textile Spinning Mills Ltd., Managing Director	6.12%
			Prime Peoples Property Ltd., Managing Director	14.40%
			Doleswar Iron & Engg. Works Ltd., Managing Director	6.00%
			Prime Trans National Ltd., Managing Director	0.20%
			Prime World Trade Ltd., Managing Director	80.00%
			Prime Super Printing Mills Ltd., Managing Director	80.00%

Sl. No	Name of Directors	Status with the NCCBL	Name of the firms/companies in which interested as proprietor, partner, Director,managing agent, guarantor, employee etc.	% of interest
	Mr. Md. Abdul Awal	Director	Prime Synthetic's Ltd., Managing Director	80.00%
			Prime Dyeing & Finishing Mills Ltd., Managing Director	80.00%
			Prime Blended Yarn Mills Ltd., Managing Director	99.912%
			Prime Weaving Mills Ltd., Managing Director	80.00%
			Prime Composite Mills Ltd., Managing Director	6.509%
			Prime Dairy & Poultry Ind. Ltd., Managing Director	80.00%
			Prime Fisheries Industries Ltd., Managing Director	80.00%
			Prime Melange Yarn Mills Ltd., Managing Director	12.50%
			Prime Knit Fashion Ltd., Managing Director	60.00%
			Prime Information Technology Ltd., Managing Director	50.00%
			Prime Group of Industries Ltd., Managing Director	20.00%
			Prime Knit Fabrics Ltd., Managing Director	75.00%
			Prime Textile Fabrics Ltd., Managing Director	75.00%
			Prime Energy Ltd., Managing Director	35.00%
			Prime Compact Yarn Mills Ltd., Managing Director	60.00%
			Prime Ship Breakers Ltd., Chairman	25.93%
			Prime Ship Recycling Ltd., Chairman	15.50%
			Prime FSS Ship Breakers Ltd., Chairman	20.00%
			Prime Steel Mills Ltd., Managing Director	10.00%
			Prime Ship Building Ltd., Managing Director	50.00%
			Prime Financial Consultant & Equities Ltd., Chairman	48.29%
			Prime Specialized Mills Ltd., Managing Director	50.00%
			Prime Platinum Fashion Ltd., Managing Director	50.00%
			Prime Fashionista Ltd., Managing Director	50.00%
6	Alhaj Md. Nurun Newaz	Director	Royal International, Proprietor	100.00%
			Electro Mart Limited, Chairman	17.50%
			Trade International Marketing Ltd., Chairman	20.00%
			Newaz International Ltd., Managing Director	35.00%
			The Royal Bengal Agency, Proprietor	100.00%
			Central Insurance Company Limited, Shareholder	2.50%
			Electro Appliances Mfg.Industries Limited , Chairman	30.00%
			Orchid Energy Limited, Chairman	20.00%
7	Mr. Amjadul Ferdous Chowdhury	Director	B.S.A. Garments Ind. (Pvt.) Limited, Managing Director	19.00%
			B.S.A. Fashion Limited, Chairman	50.00%
			B.S.A. Apparels Limited, Chairman	25.00%
			Vanguard Garments Ltd., Chairman	50.00%
			Vanguard Fashion Ltd., Chairman	15.00%
			Vanguard Dresses Limited, Chairman	33.00%
			Vanguard Packages Limited, Chairman	33.00%
			Vanguard Maritime Limited, Chairman	30.00%
			Vanguard Designers Limited, Chairman	40.00%
			BSA Shipping Limited, Director	30.00%
			Glare Fashion Limited, Managing Director	50.00%
			Royal Cement Limited, Chairman	10.00%
			Brave Royal Shipping Limited, Managing Director	20.00%
			Royal P. P Bags Limited, Chairman	15.00%
			Harrods Garments Ltd., Director	46.00%
			S.N.Sports Wear Limited, Director	43.00%
			Glare Trading, Importer of Ahmed Foods , Proprietor	100.00%
			Vanguard Shares & Securities Ltd., Director	6.00%
8	Mr. Yakub Ali	Director	Ali Fashion Limited, Chairman	23.81%
			Anowara Apparels Limited, Chairman	22.22%
			Anowara Fashions Limited, Chairman	21.83%
			Anowara Paper Mills Limited, Chairman	35.00%
			Bangladesh Fertilizer & Agro Chemicals Limited, Director	18.35%
			Diamond Cement Limited, Chairman	11.56%
			Fortune Navigation, Managing Partner	25.00%
			Habib Printers and Publisher Limited, Chairman	33.35%
			Habib Share & Securities Limited, Chairman & Managing Director	16.67%
			Habib Sons, Managing Partner	1:3
			Habib Steels Limited, Chairman	33.34%
			HG Aviation Limited, Director	8.33%

Sl. No	Name of Directors	Status with the NCCBL	Name of the firms/companies in which interested as proprietor, partner, Director,managing agent, guarantor, employee etc.	% of interest
	Mr. Yakub Ali	Director	Legacy Fashion Ware Limited., Chairman	10.60%
			Maam Textile Mills Limited, Chairman	16.00%
			MTS Re-rolling Mills Limited, Chairman	23.34%
			Mudys Navigation Limited, Chairman	35.00%
			Noor Garments Limited, Chairman	31.25%
			Ocean Merit Pte. Ltd., Director	10.00%
			Regent Energy and Power Limited, Chairman	0.02%
			Regent Fabrics Limited, Chairman	16.67%
			Regent Power Limited, Chairman	13.33%
			Regent Spinning Mills Limited., Chairman	1.09%
			Regent Textile Mills Limited., Chairman	12.06%
			Regent Weaving Limited, Chairman	33.33%
			Saims Superior Limited, Chairman	1.00%
			Valiant Fashion Ware Limited, Chairman	16.67%
			Valiant Garments Limited, Chairman	16.84%
9	Mr. Md. Abul Bashar	Director	Unique Steel Industries Ltd., Dy. Managing Director	4.17%
			Steel Enterprise Ltd., Dy.Managing Director	0.01%
			Prime Steel Re-Rolling Mills Ltd., Dy.Managing Director	0.006%
			Jahanabad Ship Breakers Ltd., Managing Director	10.00%
			Prime Textile Spinning Mills Ltd., Dy.Managing Director	5.00%
			Prime Peoples Property Ltd., Dy.Managing Director	0.20%
			Doleswar Iron & Engg. Works Ltd., Dy.Managing Director	3.00%
			Prime Trans National Ltd., Dy.Managing Director	0.005%
			Prime World Trade Ltd., Dy.Managing Director	2.00%
			Prime Super Printing Mills Ltd., Dy.Managing Director	2.00%
			Prime Synthetics Ltd., Dy.Managing Director	2.00%
			Prime Dyeing & Finishing Mills Ltd., Dy.Managing Director	2.00%
			Prime Blended Yarn Mills Ltd., Dy.Managing Director	0.009%
			Prime Weaving Mills Ltd., Dy.Managing Director	2.00%
			Prime Composite Mills Ltd., Dy.Managing Director	0.219%
			Prime Dairy & Poultry Ind. Ltd., Dy.Managing Director	3.00%
			Prime Fisheries Industries Ltd., Dy.Managing Director	3.00%
			Prime Melange Yarn Mills Ltd., Dy.Managing Director	1.00%
			Prime Knit Fashion Ltd., Dy.Managing Director	5.00%
			Prime Information Technology Ltd., Dy.Managing Director	25.00%
			Prime Group of Industries Ltd., Dy.Managing Director	1.00%
			Prime Knit Fabrics Ltd., Dy.Managing Director	5.00%
			Prime Textile Fabrics Ltd., Dy.Managing Director	5.00%
			Prime Energy Ltd., Dy.Managing Director	5.00%
			Prime Compact Yarn Mills Ltd., Dy.Managing Director	5.00%
			Prime Steel Mills Ltd., Dy.Managing Director	2.00%
			Prime Ship Breakers Ltd., Managing Director	5.19%
			Prime Financial Consultants & Equities Ltd., Managing Director	16.46%
			Prime Ship Recycling Ltd., Managing Director	10.00%
			Prime FSS Ship Breakers Ltd., Managing Director	6.00%
			Prime Ship Building Ltd., Dy.Managing Director	8.00%
			Prime Specialized Mills Ltd., Dy. Managing Director	8.00%
			Prime Platinum Fashion Ltd., Dy. Managing Director	10.00%
			Prime Fashionista Ltd., Dy. Managing Director	10.00%
10	Mr. Md. Harunur Rashid	Director	Apurba Embroidery, Proprietor	100.00%
			HR Bricks, Proprietor	100.00%
			Faridgonj Fisheries Ltd., Managing Director	95.00%
			NCC Holdings Limited, Managing Director	95.00%
			Nazma Construction Company, Proprietor	100.00%
			Global Insurance Ltd., Sponsor Shareholders	2.23%
11	Mr. Khairul Alam Chaklader	Director	Desh Medical College & Hospital , Chairman	50.00%
			Desh Diagnostic Center, Chairman	50.00%
			Gulshan Point (Pvt) Ltd., Managing Director	30.00%
			Gold Vision Industries Ltd., Managing Director	30.00%
			Eastern Logistics Ltd., Director	5.00%
			Maxwell Electronics, Proprietor	100.00%

Sl. No	Name of Directors	Status with the NCCBL	Name of the firms/companies in which interested as proprietor, partner, Director,managing agent, guarantor, employee etc.	% of interest
12	Mr. Md. Moinuddin	Director	Janata Real Estate, Managing Director	60.00%
			Central Paris, Managing Director	70.00%
			Gausia Trading, Proprietor	100.00%
			Salam Trading	65.00%
13	Mr. Md. Amirul Islam, FCS, FCA	Independent Director	The Dacca Dyeing & Manufacturing Co. Limited, Independent Director	Nil
			Hakkani Pulp and Paper Mills Limited, Independent Director	Nil
			K.M. Hasan & Co. Chartered Accountants, Senior partner	Nil
14	Mr. K.A.M. Haroon	Independent Director	Working as Deputy Team Leader under 'Regional Cooperation and Integration Project-Rail Component'. A joint venture project of CANARAIL, SMEC, DB, ACE Consultants Ltd.	Nil

NCC BANK LIMITED

Related Party Transactions:

As on December 31, 2016

Annexure-I

The Bank in normal course of business has had transactions with other entities that fall within the definition of Related party as contained in Bangladesh Accounting Standards (BAS-24) (Related Party Disclosures) and as defined in the BRPD Circular # 14 dated 25 June 2003.

The Significant Related party transactions during the year were as follows:

Figure in Lac

SL. No.	Name of the Organization	Directors relation with the concern	Representing Directors	Nature of Transaction	Outstanding (Funded)	Outstanding (Non-funded)	Total Outstanding
1	M/S A. Parvez Chowdhury	Guarantor	Mr. Amjadul Ferdous Chowdhury	CC(H)	61.57	-	61.57
	FASN Corporation	do	do	SOD(G)	212.23	-	212.23
	Amjadul Forhad Chowdhury & allied	do	do	HBL	46.48	-	46.48
2	Mr. Md. Harunur Rashid	Self	Mr. Md. Harunur Rashid	Term Loan	861.46	-	861.46
3	Habib Sons	Managing Partner	Mr. Yakub Ali	CC(H)	0.01	-	0.01
	Habib Shares & Securities Ltd.	Chairman & Managing Director	do	SOD(G)	61.57	-	61.57
4	Prime Steel Re-rolling Mills Limited	Managing Director	Mr. Md. Abdul Awal	B/G	-	1.11	1.11
5	Shaheedullah & Associates	Guarantor	Mrs. Sohela Hossain	SOD(G)	103.00	-	103.00
				Total	**1,346.32**	**1.11**	**1,347.43**

NCC BANK LIMITED

Annexure-J

Disclosure Regarding Outstanding Repo

As on December 31, 2016

a.(i) Disclosure regarding outstanding Repo as on 31 December 2016

Sl. No	Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
				NIL
				-

a.(ii) Disclosure regarding outstanding reverse repo as on 31 December 2016

Sl. No	Counter Party Name	Agreement Date	Reversal Date	Amount (1st leg cash consideration)
				NIL
				-

b. Disclosure regarding overall transaction of Repo and Reverse repo.

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year
Securities sold under repo:			
i) with Bangladesh Bank			
ii) with other banks & FIs	249,786,500	3,487,190,000	302,530,712
Securities purchased under repo:			
i)from Bangladesh Bank			
ii)from other banks & FIs	558,260,252	835,809,318	697,034,785

NCC BANK LIMITED AND ITS SUBSIDIARIES

Annexure-K

CONSOLIDATED FINANCIAL HIGHLIGHTS

For the year ended 31 December 2016

Sl. No	Particulars	2016 Taka	2015 Taka
1	Paid-up capital	8,832,180,030	8,832,180,030
2	Total capital	17,822,570,980	16,623,136,621
3	Capital surplus/(deficit)	1,848,530,447	4,109,613,104
4	Total assets	174,067,010,385	147,610,803,254
5	Total deposits	132,703,600,434	112,486,283,039
6	Total loans & advances	129,070,067,579	107,971,500,888
7	Total contingent liabilities	41,340,277,420	34,252,938,126
8	Credit deposit ratio*	83.92%	83.57%
9	Percentage of classified loans against total loans & advances	5.92%	7.18%
10	Profit after tax & provision	2,079,040,079	1,385,384,882
11	Amount of classified loan during current year	7,274,006,612	7,409,954,229
12	Provision kept against classified loans	3,312,148,311	3,169,664,725
13	Provision surplus/(deficit)	287,317	-
14	Cost of fund (%)	8.37%	9.84%
15	Interest earning assets	147,967,664,008	126,328,237,036
16	Non-interest earning assets	26,099,346,377	21,282,566,218
17	Return on investment (ROI)	12.89%	11.23%
18	Return on assets (ROA)	1.29%	0.98%
19	Income from investment	2,029,937,779	2,679,153,709
20	Earnings per share (Taka)	2.35	1.57
21	Net income per share (Taka)	2.35	1.57
22	Price earning ratio (Times)	5.35	5.80

*** Credit deposit ratio (CDR) calculation is made as per Bangladesh Bank guidelines.**

Annexure-L

NCC BANK LIMITED
FINANCIAL HIGHLIGHTS OF THE BANK
For the year ended 31 December 2016

Sl. No	Particulars	2016 Taka	2015 Taka
1	Paid-up capital	8,832,180,030	8,832,180,030
2	Total capital	17,646,604,968	16,594,152,815
3	Capital surplus/(deficit)	1,976,487,149	4,318,892,417
4	Total assets	172,706,232,835	146,369,952,351
5	Total deposits	132,764,872,600	112,722,210,375
6	Total loans & advances	126,003,479,329	104,854,725,530
7	Total contingent liabilities	41,340,277,420	34,252,938,126
8	Credit deposit ratio*	83.92%	83.57%
9	Percentage of classified loans against total loans & advances	5.92%	7.18%
10	Profit after tax & provision	2,078,107,496	1,363,816,735
11	Amount of classified loan during current year	7,274,006,612	7,409,954,229
12	Provision kept against classified loans	3,312,148,311	3,169,664,725
13	Provision surplus/(deficit)	287,317	-
14	Cost of fund (%)	8.37%	9.84%
15	Interest earning assets	149,711,418,156	125,329,725,882
16	Non-interest earning assets	22,994,814,679	21,040,226,469
17	Return on investment (ROI)	12.91%	11.25%
18	Return on assets (ROA)	1.30%	0.97%
19	Income from investment	2,015,414,055	2,678,532,500
20	Earnings per share (Taka)	2.35	1.54
21	Net income per share (Taka)	2.35	1.54
22	Price earning ratio (Times)	5.36	5.89

*** Credit deposit ratio (CDR) calculation is made as per Bangladesh Bank guidelines.**

NCC BANK LIMITED

Financial reporting by segment

For the year ended 31 December 2016

Annexure-M

i) Geographical Segment

Amount in Taka

Particulars	In Bangladesh				Total
	NCC Bank Limited (Conventional Banking)	Off-Shore Banking Units	NCCB Securities and Financial Services Limited (NCCBSFSL)	NCCB Capital Limited	
Income	14,761,276,181	89,566,501	278,189,594	-	15,129,032,276
Less: Inter segmental income	190,372,047	-	-	-	190,372,047
Total Income	14,570,904,134	89,566,501	278,189,594	-	14,938,660,229
Operating profit (Profit before unallocated expenses and tax)	14,570,904,134	89,566,501	278,189,594	-	14,938,660,229
Allocated expenses	10,332,044,890	17,610,639	259,484,014	29,765	10,609,169,307
Less: Inter segmental expenses	190,372,047	-	-	-	190,372,047
Total expenses	10,141,672,843	17,610,639	259,484,014	29,765	10,418,797,260
Provision against loans and advances and others	960,607,463	13,203,697	18,195,005	-	992,006,165
Profit/(loss) before tax	3,468,623,829	58,752,165	510,575	(29,765)	3,527,856,804
Income tax including deferred tax	900,763,379	-	13,100,602	-	913,863,981
Net Profit after tax	2,567,860,450	58,752,165	(12,590,027)	(29,765)	2,613,992,823
Segment assets	170,266,960,012	2,439,272,823	5,550,889,685	263,685,619	178,520,808,139
Less: Inter segmental assets	4,453,797,754	-	-	-	4,453,797,754
Total Assets	165,813,162,258	2,439,272,823	5,550,889,685	263,685,619	174,067,010,385
Segment Liabilities & Equity	171,534,556,122	1,171,676,713	5,550,889,685	263,685,619	178,520,808,139
Less: Inter segmental Liabilities	4,453,797,754	-	-	-	4,453,797,754
Total Liabilities & Equity	**167,080,758,368**	**1,171,676,713**	**5,550,889,685**	**263,685,619**	**174,067,010,385**

ii) Business Segment

Particulars	Conventional Banking	Off-Shore Banking Units	Investment (NCCBSFSL & NCCBCL)	Total
Income	14,761,276,181	89,566,501	278,189,594	15,129,032,276
Less: Inter segmental income	190,372,047	-	-	190,372,047
Total Income	14,570,904,134	89,566,501	278,189,594	14,938,660,229
Operating Profit (Profit before unallocated expenses and tax)	14,570,904,134	89,566,501	278,189,594	14,938,660,229
Allocated expenses	10,332,044,890	17,610,639	259,513,779	10,609,169,307
Less: Inter segmental expenses	190,372,047	-	-	190,372,047
Total Expenses	10,141,672,843	17,610,639	259,513,779	10,418,797,260
Provision against loans and advances and others	960,607,463	13,203,697	18,195,005	992,006,165
Profit/(Loss) before tax	3,468,623,829	58,752,165	480,810	3,527,856,804
Income tax including deferred tax	900,763,379	-	13,100,602	913,863,981
Net Profit after tax	2,567,860,450	58,752,165	(12,619,792)	2,613,992,823
Segment Assets	170,266,960,012	2,439,272,823	5,814,575,304	178,520,808,139
Less: Inter segmental assets	4,453,797,754	-	-	4,453,797,754
Total Assets	165,813,162,258	2,439,272,823	5,814,575,304	174,067,010,385
Segment Liabilities & Equity	171,534,556,122	1,171,676,713	5,814,575,304	178,520,808,139
Less: Inter segmental Liabilities	4,453,797,754	-	-	4,453,797,754
Total Liabilities & Equity	**167,080,758,368**	**1,171,676,713**	**5,814,575,304**	**174,067,010,385**

NCC BANK LIMITED

Annexure-N

Off-shore Banking Unit

Balance Sheet

As at 31 December 2016

PROPERTY AND ASSETS	Notes	31.12.2016 USD	31.12.2016 BDT	31.12.2015 USD	31.12.2015 BDT
Cash		-	-	-	-
In hand (including foreign currencies)		-	-	-	-
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)		-	-	-	-
Balance with other banks and financial institutions	3	**650,103**	**51,163,109**	**648,400**	**50,899,365**
In Bangladesh		-	-	-	-
Outside Bangladesh		650,103	51,163,109	648,400	50,899,365
Loans and advances					
Loans, cash credits, overdrafts, etc.	4	**30,994,572**	**2,439,272,822**	**14,158,850**	**1,118,903,107**
Bills purchased & discounted	4.1	-	-	-	-
	4.2	30,994,572	2,439,272,822	14,158,850	1,118,903,107
Fixed assets including premises, furnitures and fixtures	5	-	-	-	-
Other assets	6	-	-	**197,929**	**15,537,425**
Non-banking assets		-	-	-	-
TOTAL ASSETS		**31,644,675**	**2,490,435,931**	**15,005,178**	**1,185,339,897**
LIABILITIES AND CAPITAL					
Liabilities					
Borrowings from other banks, financial institutions and agents	7	**30,578,981**	**2,406,565,791**	**14,697,111**	**1,153,723,231**
Deposits and other accounts	8	-	-	-	-
Current deposits and other accounts		-	-	-	-
Bills payable		-	-	-	-
Savings bank deposits		-	-	-	-
Fixed deposits		-	-	-	-
Term deposits		-	-	-	-
Other liabilities	9	**507,116**	**39,910,006**	**141,588**	**11,189,031**
TOTAL LIABILITIES		**31,086,097**	**2,446,475,796**	**14,838,700**	**1,164,912,262**
Shareholders' equity					
Paid up capital		-	-	-	-
Statutory reserve		-	-	-	-
General reserve		-	-	-	-
Other reserve-assets revaluation reserve		-	-	-	-
Revaluation gain/(Loss)		-	-	-	-
Foreign currency translation gain/(loss)	9.2	-	399,963		7,639,571
Surplus in profit and loss A/C	10	558,579	43,560,172	166,479	12,788,064
TOTAL SHAREHOLDERS' EQUITY		**558,579**	**43,960,135**	**166,479**	**20,427,636**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**31,644,675**	**2,490,435,931**	**15,005,178**	**1,185,339,897**
CONTRA ENTRIES					
Off balance sheet items:					
Contingent liabilities	11				
Acceptances and endorsements		-	-	-	-
Letters of guarantee		-	-	-	-
Letters of credit issued		-	-	-	-
Bills for collection		-	-	-	-
Other contingent liabilities :					
Claims against the bank not acknowledged as debt		-	-	-	-
Capital commitments		-	-	-	-
Export development fund (EDF)					
TOTAL OFF BALANCE SHEET ITEMS		-	-	-	-

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

NCC BANK LIMITED

Off-shore Banking Unit

Profit and Loss Account

For the year ended 31 December 2016

	Notes	2016		2015	
		USD	BDT	USD	BDT
Interest income	12	1,141,496	89,566,501	555,220	43,068,398
Less: Interest paid on deposits and borrowings	13	581,038	45,590,696	290,061	22,500,049
Net interest income		**560,457**	**43,975,805**	**265,159**	**20,568,349**
Commission, exchange and brokerage	14	-	-	-	-
Total operating income		**560,457**	**43,975,805**	**265,159**	**20,568,349**
Salary and allowances	15	-	-	-	-
Rent, taxes, insurance, electricity etc.	16	-	-	-	-
Legal expenses	17	-	-	-	-
Postage, stamp, telecommunication etc.	18	-	-	-	-
Stationery, printing, advertisement etc.	19	-	-	-	-
Audit fee	20	-	-	-	-
Depreciation and repair of bank's assets	21	-	-	-	-
Other expenses	22	-	-	895	69,425
Total operating expense		**-**	**-**	**895**	**69,425**
Profit before provisions		**560,457**	**43,975,805**	**264,264**	**20,498,924**
Provision for loans and advances		**168,357**	**13,203,697**	**94,584**	**7,481,573**
Specific provision		-		-	
General provision		168,357	13,203,697	94,584	7,481,573
Provision for off-balance sheet exposures		-	-	-	-
Provision for gratuity		-	-	-	-
Provision for investment fluctuation in shares		-	-	-	-
Provision for incentive Bonus		-	-	-	-
Provision for other assets		-	-	-	-
Total provisions		**168,357**	**13,203,697**	**94,584**	**7,481,573**
Profit before tax		**392,100**	**30,772,108**	**169,679**	**13,017,350**
Provision for tax		-	-		
Current tax		-	-	-	-
Deferred Tax		-	-	-	-
Profit after tax		**392,100**	**30,772,108**	**169,679**	**13,017,350**
Balance of profit brought forward from last year		**166,479**	**12,788,064**	**(3,201)**	**(229,286)**
Retained earnings carried forward		**558,579**	**43,560,172**	**166,479**	**12,788,064**

NCC BANK LIMITED

Off-shore Banking Unit

Cash Flow statement

For the year ended 31 December 2016

		Notes	2016		2015	
			USD	BDT	USD	BDT
A)	**Cash flows from operating activities**					
	Interest received in cash		1,339,425	105,103,926	491,922	38,086,035
	Interest paid by cash		(383,868)	(30,073,419)	(290,061)	(22,500,049)
	Dividend received		-	-	-	-
	Fees & commission received in cash		-	-	-	-
	Recoveries of loans previously written off		-	-	-	-
	Cash paid to employees		-	-	-	-
	Cash paid to suppliers		-	-	-	-
	Income taxes paid		-	-	-	-
	Received from other operating activities		-	-	-	-
	Paid for other operating activities		-	-	(895)	(69,425)
	Operating profit before changes in operating assets and liabilities		955,556	75,030,507	200,965	15,516,561
	Increase/(decrease) in operating Assets & Liabilities					
	Purchase-sale of trading securities		-	-	-	-
	Loans and advances to other banks		(16,835,722)	(1,320,369,715)	(9,458,428)	(748,157,326)
	Loans and advances to customers (Other than Banks)		-	-	-	-
	Other assets					
	Deposits/ borrowings from other Banks		15,881,870	1,252,842,560	9,838,650	770,390,663
	Deposits from customers (Other than Banks)		-	-	-	-
	Other liabilities account of customers		-	-	-	-
	Other liabilities		-	-	-	-
	Net Cash received from operating activities		**1,703**	**7,503,352**	**581,188**	**37,749,899**
B)	**Cash flows from investing activities**					
	Proceeds from sale of securities		-	-	-	-
	Payment for purchase of Securities		-	-	-	-
	Purchase of property, plant and equipment		-	-	-	-
	Sales proceeds of fixed assets		-	-	-	-
	Net cash used in investing activities		-	-	-	-
C)	**Cash flows from financing activities**					
	Received from issue of loan capital and debt securities		-	-	-	-
	Payment for redemption of loan capital & debt security		-	-	-	-
	Dividend paid in cash		-	-	-	-
	Net cash received from financing activities		-	-	-	-
D)	**Net (decrease) / increase in cash (A+B+C)**		**1,703**	**7,503,352**	**581,188**	**37,749,899**
	Effects of exchange rate changes on cash and cash-equivalents		-	(7,239,608)	-	7,913,690
E)	**Opening cash and cash-equivalents as 1st January**		648,400	50,899,365	67,212	5,235,777
F)	**Closing cash and cash-equivalents (D+E)**		**650,103**	**51,163,109**	**648,400**	**50,899,365**

NCC BANK LIMITED

Off-shore Banking Unit

Notes to the Financial Statements

For the year ended 31 December 2016

1.1 Status of the Units

Off-shore Banking Unit (OBU) of NCCBL governed under rules and guidelines of Bangladesh Bank. The Bank obtained permission from Bangladesh Bank for operating of Off-shore Banking units located at our Foreign Exchange Branch & Agrabad Branch vide Bangladesh Bank Letter No. BRPD (P-3)744(113)/2010-1648 dated 02 May 2010. The Bank commenced the operation of its Off-shore Banking Units from 26 August 2013 at Foreign Exchange Branch, Dhaka. Operation of OBU located at Agrabad Branch, Chittagong will be started within very soon.

1.1.1 Principal activities

The principal activities of the OBU are to provide all kinds of commercial banking services to its customers through its Off-shore Banking units in Bangladesh.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of accounting

The off-shore banking Units maintain its accounting records in USD from which accounts are prepared according to the Bank Companies Act-1991, Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs) Other laws and regulations applicable in Bangladesh and applicable directives issued by Bangladesh Bank.

1.2.2 Use of estimates and judgments

The preparation of financial statements requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets. Liabilities, income and expenses. Actual expenses may differ from these estimates. The figure appearing in these financial statements have been rounded off to the nearest integer.

1.2.3 Foreign currency transaction

a) Foreign currencies transaction

Foreign currency transactions are converted in to equivalent Taka using the ruling exchange rates on the dates of respective transactions as per BAS-21 "The effects of changes in Foreign Exchange Rates". Foreign currency balances held in US Dollars are converted into Taka at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month.

b) Transaction gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account.

1.2.4 Cash flow statement

Cash flow statement has been prepared in accordance with the BRPD circular no.14 dated 25 June 2003 issued by the Banking Regulations and Policy Department of Bangladesh bank.

1.2.5 Reporting period

The financial statements cover from 01 January 2016 to 31 December 2016

1.3 Assets and their valuations

1.3.1 Cash and cash equivalents

cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk to change in their fair value, and are used by the unit management for its short-term commitments.

1.3.2 Loans and Advances

a) Loans and advances of off-shore banking units are stated in the balance sheet on gross basis.

b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss as per guidelines of Bangladesh. Records of such interest amounts are kept in separate memorandum accounts.

1.4 Basis for valuation of liabilities and provisions

Provision for liabilities

A provision for recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an out flow of economic benefit will be required to settle the obligations, in accordance with the BAS 37 " Provisions, Contingent liabilities and Contingent Assets".

1.5 Revenue recognition

1.5.1 Interest income

In terms of the provisions of the BAS-18 " Revenue", the interest income is recognized on accrual basis.

1.5.2 Interest paid

In terms of the provisions of the BAS-1 " Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2 General

a) These financial statements are presented in taka, which is the Bank's functional currency. Figure appearing in these financial statements have been rounded off to the nearest Taka.

b) Assets and liabilities & Income and expenses have been converted into Taka currency closing rate as at transaction date and average rate.

		31.12.2016		31.12.2015	
		USD	BDT	USD	BDT
3	**Balance with other Banks and financial institutions :**				
	In Bangladesh	-	-	-	-
	Outside Bangladesh	650,103	51,163,109	648,400	50,899,365
		650,103	**51,163,109**	**648,400**	**50,899,365**
4	**Loans and Advances**				
	Loans, cash credits, overdrafts etc.**(Note-4.1)**	-		-	
	Bills purchased and discounted **(Note-4.2)**	30,994,572	2,439,272,822	14,158,850	1,118,903,107
		30,994,572	**2,439,272,822**	**14,158,850**	**1,118,903,107**
4.1	**Loans, cash credits, overdrafts etc.**				
	Inside Bangladesh:	-	-	-	-
	Outside Bangladesh:	-	-	-	-
		-	-	-	-
4.2	**Bills purchased and discounted**				
	Inside Bangladesh:	-	-	-	-
	Outside Bangladesh:	30,994,572	2,439,272,822	14,158,850	1,118,903,107
		30,994,572	**2,439,272,822**	**14,158,850**	**1,118,903,107**
5	**Fixed assets including premises, furniture and fixtures**	-	-	-	-
6	**Other assets**				
	Interest receivable on loans and advances	-	-	197,929	15,537,425
		-	**-**	**197,929**	**15,537,425**
7	**Borrowing from other banks, financial institutions and agents**				
	Demand borrowing	**30,578,981**	**2,406,565,791**	**14,697,111**	**1,153,723,231**
8	**Deposits and other accounts**	-	-	-	-
8.1	**Bills payable:**				
9	**Other liabilities**				
	Provision for loans and advances **(9.1)**	309,946	24,392,728	141,588	11,189,031
	Interest payable (HO)	129,727	10,209,513	-	-
	Interest payable (Foreign Bank)	67,443	5,307,764	-	-
		507,116	**39,910,006**	**141,588**	**11,189,031**
9.1	**Provision for loans and advances**				
	Opening Balance	141,588	11,189,031	47,004.22	3,707,457.81
	Provision for loans and advances charged during the year	168,357	13,203,697	94,584.28	7,481,573
	Closing Balance	**309,946**	**24,392,728**	**141,588**	**11,189,031**
9.2	**Foreign currency translation gain/(loss)**		**399,963**		**7,639,571**
10	**Surplus in profit and loss account**				
	Opening balance	166,479	12,788,064	(3,201)	(229,286)
	Profit/(Loss) during the year	392,100	30,772,108	169,679	13,017,350
	Closing balance	**558,579**	**43,560,172**	**166,479**	**12,788,064**
11	**Contingent liabilities :**				
11.1	**Acceptances and endorsement**	-	-	-	-
11.2	**Letter of guarantee**	-	-	-	-
11.3	**Letter of credit issued**	-	-	-	-
11.4	**Bills for collection**	-	-	-	-

		2016		2015	
		USD	BDT	USD	BDT
12	**Interest income**				
	Interest on loans and advances	1,141,496	89,566,501	555,220	43,068,398
13	**Interest paid on deposits and borrowings**				
	Interest on borrowings	581,038	45,590,696	290,061	22,500,049
14	**Commission, exchange and brokerage**	-	-	-	-
15	**Salary & allowances**	-	-	-	-
16	**Rent, taxes, insurance, electricity etc.**	-	-	-	-
17	**Legal Expenses**	-	-	-	-
18	**Postage, stamp and telecommunication**	-	-	-	-
19	**Stationery, printing, advertisement etc.**	-	-	-	-
20	**Audit fees**	-	-	-	-
21	**Repairs, maintenance, amortization and depreciation**	-	-	-	-
21.1	**Repairs & maintenance :**	-	-	-	-
21.2	**Depreciation:**	-	-	-	-
22	**Other expenses-Service Charge of Nostro Account**	-	-	895	69,425

Directors' Report to the shareholders of NCCB Securities and Financial Services Ltd.

Dear Shareholders,

Assalamualaikum,
It is my great pleasure to welcome you all on behalf of the Board of Directors to the 7th Annual General Meeting of NCCB Securities and Financial Services Ltd. and to present before you the Directors' Report and the audited financial statements as on 31st December 2016 along with Auditors' Report for your kind consideration.

Capital Market of Bangladesh:

Capital market of Bangladesh is growing and broadening gradually. Bangladesh Securities and Exchange Commission (BSEC) regulates the stock exchanges and oversee the interests of securities' investors, and build up and maintain fair, transparent and efficient securities markets. Moreover, it ensures proper issuance of securities and compliance with securities laws. The quarterly analysis on capital market development of Bangladesh potentially gives some insights to understand policy aspects of capital market in Bangladesh. In 2016, a total of 11 companies came to the market. Among them, 2 companies offered premium to their par value and the remaining 9 companies offered par value to get listed in the secondary market. Other than one mutual fund, all of the IPOs gave positive return on the first day of trading. Compared to the offer price, the weighted average 1st day return was 70.4%. The market has heightened interests on a new stock. But by the end of the year, the companies find it hard to sustain this momentum. From the first day of trading, the weighted average return is -12.4%, with only one stock managing to give positive price return from the first day till the year end.

NCCBSFSL'S Performance:

In the year 2016 proved to be a pivotal year in our efforts to optimize our business model for driving future growth. Despite several challenges on the political and economic fronts that led to sluggish industrial growth and weak consumption, NCCBSFL reported a respectable performance during the year under report, a testimony of its robust business model. The company reported Commission Income of Taka 98.9 million and Net Income after Tax of Taka 0.96 million in 2016, which was Taka 93.6 million and Taka (13.7) million respectively for the year 2015. This demonstrates effective deployment of capital and resources as NCCB Securities and Financial Services Ltd. continues to outperform its peers in this area. Amid efforts to enhance our future growth prospects, we remained vigilant in strengthening the balance sheet and maintaining a solid credit profile. Total assets of the company stood at Taka 5,525.43 million as on December 31, 2016. Asset quality remains a top priority, with our performance measures of non-performing asset and reserves exceeding the averages of our peer group. The company has earned Taka 11.8 million as dividend income and Taka 2.7 million as capital gain from investment in the year 2016. Net Profit after Tax is increased by 107% over the year 2015.

Margin Loan to Client:

NCCB Securities and Financial Services Ltd. is devoted to capital Market of the country and offers world standard brokerage services for individual and institutional investors. The Company is responsible for origination of sales, buy and trading of securities of Capital markets. It aims to provide relevant support to its customers with sophisticated and innovative financial solutions and delivering the highest quality of services. NCCBSFSL provide financial support to the clients for investment in the secondary market against the margin loan within the limit set by the management from time to time and margin Rules 1999 of BSEC. Outstanding balance of margin loan stood at Taka 4,846.16 million as on 31 December 2016.

Dividend:

Operating profit of the company stood at Taka 18.7 million which net profit after tax is Taka 0.96 million for the year ended 31 December 2016. In terms of guidelines of BSEC, NCCB Securities and Financial Services Ltd. Could not declare any dividend for the year 2016.

Contribution to the Economy of Bangladesh:

NCCBSFSL contribute to the economy of Bangladesh through its contribution to the national exchequer, as well as through creation of employment. In 2016, NCCBSFSL deposited Taka 15.88 million to the Government exchequer as corporate income tax.

Risk and Internal Control:

The Board considers that strong internal controls are integral part of sound management of the Company. It is committed to maintain strict financial, operational and risk management control of all of its activities. The directors are ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable not absolute assurance against material misstatement or loss. There is an ongoing process for identifying, recording, evaluating and managing the risk that are faced by the Company. The Board of Directors is satisfied with the effectiveness of the system of the internal control for the year under review and up to the date of approval of the financial statements. The Company's management has overall responsibility for the establishment and oversight of its risk management framework. The Company's management policies are established to identify and analyze the risk faced by the Company to set appropriate risk limit and controls and to monitor risk. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Corporate and Financial Reporting Framework:

The Directors of NCCBSFSL confirm compliance with the financial reporting framework for the following:

- The financial statements, prepared by the management of NCCBSFSL make a fair presentation of its activities, operational details and results, cash flow information and changes in equity structure.
- Proper books and accounts of the Company have been maintained.
- Appropriate accounting policies, including International Accounting Standards (IASs)/International Financial Reporting Standards (IFRSs) as adopted by Institute of Chartered Accountants of Bangladesh (ICAB) as applicable in Bangladesh have been consistently applied in preparation of the financial statements. Any change or deviation has been adequately disclosed.
- Accounting estimates are based on reasonable and prudent judgment.
- Internal control processes have been properly designed and effectively implemented and monitored.
- No significant doubt exists upon the Company's ability to continue as a going concern.

Board Meetings:

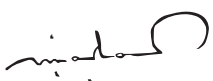
During the year 2016, 07 number of Board of Directors Meetings were held.

Auditors:

The auditors of the Company, SHAFIQ MIZAN RAHMAN & AUGUSTINE, Chartered Accountants, has completed their three years as the statutory auditors of the Company. They are eligible for reappointment for consecutive years. The said auditors has submitted proposal for the next year at remuneration of Taka 30,000/- only for approval by the shareholders in 7th AGM.

Appreciation:

The BOARD of Directors of NCCBSFSL take this opportunity to record their thanks and gratitude to the Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka and Chittagong Stock Exchange Ltd., shareholders, valued clients for their continues support, guidance and cooperation.
The Board also gives thanks to the Management Team and all employees of NCCBSFSL for their services towards the company.
On behalf of the Board of Directors



Md. Amirul Islam FCA, FCS
Chairman
Place: Dhaka
Dated: 10 April, 2017

NCCB Securities and Financial Services Ltd

Auditor's Report to the Shareholders

We have audited the accompanying financial statements of **NCCB Securities and Financial Services Limited (the "Company")**, which comprise the Statement of Financial Position as at 31 December 2016 and the related Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a Summary of Significant Accounting Policies and Other Explanatory Information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities and Exchange Rules ,1987 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.

Auditors' Responsibility:
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:
In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Financial Reporting Standards (BFRS) and comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

We also report that

a we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;

c the Company's financial statements dealt with by the report are in agreement with the books of account; and

d the expenditures incurred were for the purpose of the company's business:

Dated, Dhaka
April 10, 2017

SHAFIQ MIZAN RAHMAN & AUGUSTINE
Chartered Accountants

Annexure-O

NCCB Securities and Financial Services Limited

Statement of Financial Position

As at 31 December 2016

	Note	31.12.2016 Taka	31.12.2015 Taka
Assets			
Non-Current Assets			
Property, Plant & Equipment	3	14,050,085	13,787,086
Intangibles	4	942,280	1,513,673
Investments	5	19,401,385	19,401,385
Total Current Assets		34,393,750	34,702,144
Current Assets			
Investment in Marketable Shares	6	46,881,211	56,817,876
Accounts Receivable	7	145,095,366	19,586,911
Advance, Deposit and Prepayments	8	9,440,632	5,489,058
Advance Income Tax	9	238,818,322	222,938,364
Margin Loan to Customer	10	4,846,166,992	5,000,937,450
Cash and cash equivalent	11	239,031,175	181,842,053
Total Current Assets		5,525,433,698	5,487,611,713
Total Assets		**5,559,827,447**	**5,522,313,857**
Equity and Liabilities			
Equity			
Paid-up Capital	12	2,000,000,000	2,000,000,000
Retained Earnings	13	21,412,351	20,450,002
Total Equity		**2,021,412,351**	**2,020,450,002**
Non Current Liabilities		-	-
Current Liabilities			
Short Term Loan	14	1,779,578,742	1,884,162,092
Accounts Payable	15	1,341,888,487	1,217,995,577
Other Liabilities	16	199,145,451	197,365,715
Provision for Income Tax	17	217,802,417	202,340,471
Total Current Liabilities		3,538,415,097	3,501,863,855
Total Liabilities		3,538,415,097	3,501,863,855
Total Equity and Liabilities		**5,559,827,447**	**5,522,313,857**

These financial statements should be read in conjunction with the annexed notes from 1 to 33.

Company Secretary **Chief Executive Officer(c.c)** **Chairman**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
April 10, 2017

SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

NCCB Securities and Financial Services Limited

Statement of Profit or Loss and Other Comprehensive Income

For the year ended on 31 December 2016

	Note	2016 Taka	2015 Taka
Operating Revenue:			
Brokerage Commission	18	98,901,967	93,603,298
Other Operating Revenue	19	5,095,846	4,464,344
		103,997,813	**98,067,642**
Less: Direct Expenses	20	9,255,572	9071349
Net Revenue from Operation		**94,742,241**	**88,996,293**
Interest on Margin Loan	21	154,610,327	188,489,869
Interest Expense on Short Term Loan	22	190,372,047	222,924,029
Net Interest Income		(35,761,720)	(34,434,160)
Add: Other Income	23	19,581,454	4,693,123
Total Revenue		**78,561,975**	**59,255,256**
General & Administrative Expenses			
Salaries & Allowances	24	31,510,381	28,938,968
Rent, Taxes, Insurance, Electricity etc.	25	12,561,967	11,263,590
Postage, Stamp & Telecommunication	26	260,466	278,122
Stationery, Printing and Advertisement	27	1,140,698	639,212
Directors' Fees	28	212,500	231,250
Audit Fees	29	34,500	34,500
Depreciation and repair of company's assets	30	4,015,398	4,452,494
Other Expenses	31	10,120,485	8,252,330
		59,856,394	**54,090,466**
Profit/(Loss) Before Provisions		**18,705,580**	**5,164,790**
Provision for Unrealized Loss on Investment in Shares	16.1	781,286	7,770,647
Provision for Unrealized Loss in Margin Loan	16.2	1,500,000	10,000,000
Total Provision		2,281,286	17,770,647
Profit/(Loss) Before Tax		**16,424,295**	**(12,605,857)**
Less: Provision for Income Tax	17	15,461,946	1,094,359
Net Profit /(Loss) After Tax		**962,349**	**(13,700,216)**
Total Comprehensive Income		**962,349**	**(13,700,216)**
Earnings Per Share of Tk. 100 each		**0.05**	**(0.69)**

These financial statements should be read in conjunction with the annexed notes from 1 to 33.

Company Secretary | **Chief Executive Officer(c.c)** | **Chairman**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
April 10, 2017

SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

NCCB Securities and Financial Services Limited

Statement of Cash Flows

For the year ended on 31 December 2016

	Note	2016 Taka	2015 Taka
A. Cash flows from operating activities:			
Brokerage commission received		98,901,967	93,603,298
Interest received on margin loan		154,596,480	188,489,869
Received from operating income		10,403,577	6,055,714
Cash paid to service provider		(20,428,168)	(24,319,643)
Cash received/(paid) for operating activities		(50,973,221)	520,832,925
Interest paid		(190,372,047)	(222,924,029)
Income taxes paid		(15,879,958)	(21,590,425)
Net cash from operating activities		**(13,751,370)**	**540,147,709**
B. Cash flows from Investing activities:			
Fixed assets acquisition		(3,707,005)	(637,578)
Intangible assets acquisition		-	(1,804,160)
Sale of proceeds of fixed assets		-	-
Purchase of shares		(64,328,424)	(198,626,016)
Sale of shares		77,036,032	153,730,597
Dividend received		11,752,781	621,208
Margin loan to customers		154,770,458	(393,565,146)
Net cash used in investing activities		**175,523,843**	**(440,281,095)**
C. Cash flows from financing activities:			
Loan (payment)/receive		(104,583,350)	72,530,635
Net cash used in financing activities		(104,583,350)	72,530,635
D. Net cash increase/ (decrease) (A+B+C)		**57,189,123**	**172,397,249**
E. Cash and cash equivalents at beginning of the period		181,842,053	9,444,805
F. Cash and cash equivalents at end of the period		**239,031,175**	**181,842,053**
Closing balance represents			
Cash in hand		34,460	32,417
Cash at Banks		238,996,715	181,809,636
		239,031,175	**181,842,053**

These financial statements should be read in conjunction with the annexed notes from 1 to 33.

Company Secretary **Chief Executive Officer(c.c)** **Chairman**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
April 10, 2017

SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

NCCB Securities and Financial Services Limited

Statement of Changes in Equity

For the year ended on 31 December 2016

Particulars	Paid up Capital	Retained Earnings	Total
Balance as on 01 January, 2016	**2,000,000,000**	**20,450,002**	**2,020,450,002**
Net Profit for the year	-	962,349	962,349
Balance as on 31 December, 2016	**2,000,000,000**	**21,412,351**	**2,021,412,351**

These financial statements should be read in conjunction with the annexed notes from 1 to 33.

Company Secretary **Chief Executive Officer(c.c)** **Chairman**

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
April 10, 2017

SHAFIQ MIZAN RAHMAN & AUGUSTINE
CHARTERED ACCOUNTANTS

NCCB Securities and Financial Services Limited

Significant Accounting Policies and Other Explanatory Information

For the year ended on 31 December 2016

1 Significant Accounting Policies & Other Material Information

1.1 Legal Form of the Entity

NCCB Securities and Financial Services Limited (the "Company") has been incorporated as a Private Company Limited by share with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh bearing Registration No.C - 83683/10 dated April 04, 2010 under the Companies Act, 1994, Registered office of the company is situated at NCC Bank Bhaban (3rd Floor), 13/1 & 13/2 Toyenbee Circular Road, Motijheel C/A, Dhaka-1000.

1.2 Nature of Business

The main objective of the Company is to act as a full fledged Stock Broker & Stock Dealer to execute buy and sell order and to maintain own portfolio as well as customers portfolio under the discretion of customers. The company also performs the other activities related to Capital Market as and when regulators permits the company to carry out activities as per their guidelines.

2 Significant Accounting Policies

2.1 Basis of Presentation of Financial Statements

The Financial Statements have been prepared on a going concern basis following accrual basis of accounting except for statement of cash flows in accordance with the company's Act 1994, Securities & Exchange Rules 1987, the listing regulators of Dhaka & Chittagong Stock Exchanges and International Accounting Standards (IAS's), International Financial Reporting Standards (IFRS's) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh as Bangladesh Accounting Standards (BAS's) and Bangladesh Financial Reporting Standards (BFRS's) and other applicable laws & regulations.

2.2 Components of the Financial Statements

The Financial Statements referred to here comprised of:
(a) Statement of Financial Position;
(b) Statement of Profit or Loss and Other Comprehensive Income;
(c) Statement of Changes in Equity;
(d) Statement of Cash Flows; and
(e) Notes to the Financial Statements.

2.3 Basis of Measurement

The Financial Statements have been prepared based on historical cost convention basis. No adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

2.4 Functional and Presentational Currency

These financial statements are prepared in Bangladesh Taka , which is the Company's functional currency. All financial information presented in Taka has been rounded to the nearest integer.

2.5 Use of Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

Revenue Recognition

Income from brokerage commission is recognized on daily basis in the statement of profit and loss and other comprehensive income account after receiving the trading note of securities transacted from Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited, at which point performance is assured to be completed.

2.6 Cash Flow Statement

Cash flow statement has been prepared as per Bangladesh Accounting Standard BAS 7 Under Direct Method.

2.7 Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss account and other comprehensive income as incurred.

Depreciation

Depreciation is charged to computer & peripherals on the straight line method and office equipment and furniture & fixtures on the reducing balance method. The rates of depreciation are as follows:

Items	Method	Rate
Computer & Peripherals	Straight Line Method	20%
Office Equipment	Reducing Blance Method	20%
Furniture & Fixtures	Reducing Blance Method	10%

2.8 Intangibles

Recognition and Measurement

Computer software acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortization.

Amortization of Intangible Assets

Intangible assets are amortized at the rate of 20% on the straight line method.

2.9 Provision for Current Tax

Provision for tax is assessed under section 82C of the Income Tax Ordinance (ITO) 1984 on income from company's normal course of business and at 35% on company's income from other sources. Under section 82C, income tax deducted under certain sections of the ITO is treated as minimum tax of the company from that source.

2.10 Related Party Transactions

As per Bangladesh Accounting Standards (BAS)-24 Related Party Disclosures, parties are considered to be related if one of the parties has the ability to control the order party or exercise significant influence over the other party in making financial and operational decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

2.11 Directors' Responsibility Statement

The Board of Directors takes the responsibility for the preparation and presentation of these Financial Statements.

2.12 General

Previous year's figures, whenever considered necessary have been rearranged and restated in order to conform to current year's presentation.

	31.12.2016 Taka	31.12.2015 Taka
3 Property, Plant & Equipment		
Property Plant & Equipment at Cost	40,540,585	36,833,580
Less: Accumulated Depreciation	26,490,500	23,046,494
Written Down Value (WDV)	**14,050,085**	**13,787,086**

Annexure-A may kindly be seen for details.

		31.12.2016 Taka	31.12.2015 Taka
4	**Intangibles**		
	Software:		
	Bluechip Software at cost	820,000	820,000
	Bluechip Software (MSA)	150,000	150,000
	IPO Application Software	100,000	100,000
	X-Broker Software at cost	125,000	125,000
	Bluechip Software	200,000	200,000
	Software at cost (Microsoft)	1,454,160	1,454,160
		2,849,160	2,849,160
	Less: Accumulated Amortization	1,906,881	1,335,487
		942,280	**1,513,673**
	Annexure-B may kindly be seen for details.		
5	**Investment**		
	Investment in Shares of Stock Exchanges		
	Dhaka Stock Exchange Limited	400,385	400,385
	Chittagong Stock Exchange Limited	19,001,000	19,001,000
		19,401,385	**19,401,385**

5.1 Investment in shares of Dhaka Stock Exchange Ltd.:

The Dhaka Stock Exchange Ltd allotted 72,15,106 number of Ordinary shares of Tk 10 each against the membership held with them as approved scheme of Demutualization under the provision of Exchange Demutualization Act, 2013 as under:

Shares Allotted		
40% Ordinary Shares i.e 2,886,042 shares of Tk 10/- each credited to BO A/C # 1202090050877041 of NCCB Securities and Financial Services Ltd.	28,860,420	28,860,420
60% Ordinary Shares i.e 4,329,064 shares of Tk 10/- each credited to DSE Demutualization Blocked account maintained by DSE.	43,290,640	43,290,640
	72,151,060	**72,151,060**

5.2 Investment in shares of Chittagong Stock Exchange Ltd.:

The Chittagong Stock Exchange Ltd allotted 4,287,330 number of Ordinary shares of Tk 10 each against the membership held with them as approved scheme of Demutualization under the provision of Exchange Demutualization Act, 2013 as under:

Shares Allotted		
40% Ordinary Shares i.e 1714932 shares of Tk 10/- each credited to BO A/C # 1202090050877041 of NCCB Securities and Financial Services Ltd.	17,149,320	17,149,320
60% Ordinary Shares i.e 2572398 shares of Tk 10/- each credited to CSE Demutualization Blocked account maintained by CSE.	25,723,980	25,723,980
	42,873,300	**42,873,300**

		31.12.2016 Taka	31.12.2016 Taka
6	**Investment in Marketable Shares**		
	Investment in shares at market value	37,943,448	48,661,400
	Provision for unrealized loss on investment in shares	8,937,763	8,156,477
	Total Investment in shares at cost	**46,881,211**	**56,817,876**
7	**Accounts Receivable**		
	Receivable from Dhaka Stock Exchange Limited	134,617,549	1,204,765
	Receivable from Chittagong Stock Exchange Limited	10,463,970	11,172,451
	Receivable from share trading	-	7,209,696
	Interest Receivable on Margin Loan	13,847	-
		145,095,366	**19,586,911**
8	**Advance, Deposit and Prepayments:**		
	Suspense Account-Sundry debtors	-	350,000
	Suspense Account-Settlement of DSE & CSE	1,047,107	387,453
	Suspense A/C - Advance for Client IPO	3,705,000	-
	Advance against Vendors'	-	800,000
	Receivable against IPO	11,420	-
	Advance Against Office Rent	4,289,605	3,951,605
	Advance to Z N Consultants for HR Manual	387,500	-
		9,440,632	**5,489,058**
9	**Advance Income Tax**		
	Advance Income Tax paid in Cash	174,554,741	172,141,263
	Income Tax deducted at source by DSE & CSE	62,929,831	50,244,194
	Advance Income Tax deducted at source on Bank Interest	1,333,750	552,907
		238,818,322	**222,938,364**
	Annexure-C may kindly be seen for details.		
10	**Margin Loan to Customers**		
	Margin loan to customers	**4,846,166,992**	**5,000,937,450**
11	**Cash and Cash Equivalents:**		
	Cash in Hand	34,460	32,417
	Cash at Banks:		
	Special Notice Deposit Account with:		
	IFIC Bank Limited, Stock Exchange Branch (Customer A/C)	72,703,240	36,195,296
	One Bank Limited, Principal Branch	615,601	1,312,976
	NCC Bank Limited, Bhaban Branch (Customer A/C)	121,961,766	144,236,520
	NCC Bank Limited, Motijheel Main Branch	97,399	28,656
		195,378,007	181,773,448
	Current Deposit Account with:		
	NCC Bank Limited, Bhaban Branch (IPO A/C)	43,618,708	36,188
	Total Cash at Banks	238,996,715	181,809,636
	Total Cash and Cash Equivalents	**239,031,175**	**181,842,053**

12 Share Capital	31.12.2016 Taka	31.12.2015 Taka
12.1 Authorized Capital		
50,000,000 Ordinary shares @ of Tk. 100 each	5,000,000,000	5,000,000,000
	5,000,000,000	**5,000,000,000**

12.2 Issued, Subscribed and Paid up Capital

The Issued, Subscribed and Paid up Capital is Tk 2,000,000,000/- divided into 20,000,000 ordinary shares of Tk. 100 each fully paid. The shareholding position of the company is as follows:

Name of Shareholders	Number of shares held		
NCC Bank Limited	19,999,999	1,999,999,900	1,999,999,900
Alhaj Md. Nurun Newaz	1	100	100
Total	**20,000,000**	**2,000,000,000**	**2,000,000,000**

13 Retained Earnings		
Balance at the beginning of the year	20,450,002	34,150,218
Add: Net profit/(loss) during the year	962,349	(13,700,216)
Balance at the end of the year	**21,412,350**	**20,450,002**

14 Short Term Loan		
NCC Bank Limited, Motijheel Main Branch, Dhaka	**1,779,578,742**	**1,884,162,092**

15 Accounts Payable		
Sundry Creditors	42,765,984	166,919,132
Interest suspense	896,080,137	896,080,138
Payable to CDBL	612,400	59,872
Payable to Bluechip Software Ltd.	48,250	-
Payable to Dhaka Stock Exchange Limited	-	12,014,573
Payable to Chittagong Stock Exchange Limited	617,403	603,809
Payable to IPO	37,490,000	-
Payable to Clients	362,934,546	141,205,891
Account Closing Fee	1,080	-
Payable to Suppliers	895,000	943,250
Payable to PF Loan against Salary	1,500	-
Payable to Interest expenses	93,276	93,276
Payable to Auditor	34,500	34,500
Other Payables	314,412	41,137
	1,341,888,487	**1,217,995,577**

16 Other Liabilities		
Provision for expenses	1,011,208	1,512,758
Provision for unrealized loss in investment in shares **(Note: 16.1)**	8,937,763	8,156,477
Provision for unrealized Loss in Margin Loan **(Note-16.2)**	180,325,296	178,825,296
Provision for Interest waiver **(Note-16.3)**	8,871,184	8,871,184
	199,145,451	**197,365,715**

16.1 Provision for Unrealized Loss on Investment in Shares		
Balance at the beginning of the year	8,156,477	385,833
Add: Charged during the period	781,286	7,770,644
Balance at the end of the year	**8,937,763**	**8,156,477**

	31.12.2016 Taka	31.12.2015 Taka
16.2 Provision for Unrealized Loss in Margin Loan		
Balance at the beginning of the year	178,825,296	168,825,296
Add: Charged during the year	1,500,000	10,000,000
Balance at the end of the year	**180,325,296**	**178,825,296**

As complied with BSEC Circular no. SEC/CMRRCD/2009-193/196, dated on 28 December 2016, an amount of Tk. 1,500,000/- has been provided against equity erosion of Margin Loan A/C's from the current year profit and accumulated balance thereby stood at Tk 180,325,296/- as on December 31, 2016. Moreover, Interest Suspense has been buildup for Tk. 896,080,137/- against Margin Loan facility till December 31, 2016 as well. Interest receivable has also been kept in separate A/C namely 'Memorandum Register' for Tk. 363,315,794.33/- on classified Margin Loan.

16.3 Provision for Interest Waiver		
Balance at the beginning of the year	8,871,184	9,400,000
Amount transferred to small investors' for interest waiver	-	(528,816)
Balance at the end of the year	**8,871,184**	**8,871,184**
17 Provision for Income Tax		
Balance at the beginning of the year	202,340,471	201,246,112
Add: Provision made during the year	15,461,946	1,094,359
	217,802,417	202,340,471
Less: Adjustment during the year	-	-
Balance at the end of the year	**217,802,417**	**202,340,471**

	2016 Taka	2015 Taka
18 Brokerage Commission		
Brokerage Commission-DSE	95,891,643	91,524,409
Brokerage Commission-CSE	3,010,324	2,078,889
	98,901,967	**93,603,298**
19 Other Operating Revenue		
Account Opening Fee	-	186,000
BO Account Maintenance Fee	1,112,800	1,082,700
Margin Account Opening Fee	-	4,000
Account Closing Fee	150,213	133,965
Service Charge income	112,000	-
Capital gain on sale of shares **(Note: 19.1)**	2,770,942	2,480,544
Income from IPO	69,345	43,950
Income from CDBL Charges	880,547	533,185
	5,095,846	**4,464,344**
19.1 Capital gain/(loss) on sale of shares		
Sale Price of Shares	77,036,031	7,006,162
Less: Cost price of Shares Sold	74,265,089	4,525,617
	2,770,942	**2,480,544**
20 Direct Expenses		
Howla Charge DSE	2,300	1,350
Howla Charge CSE	58,454	51,008
Laga Charge DSE	6,167,390	5,415,545
Laga Charge CSE	149,542	87,286
Investor Protection Fund	24,416	16,106
CDBL Charges	2,853,469	3,500,054
	9,255,572	**9,071,349**

	2016 Taka	2015 Taka
21 Interest Income on Margin Loan		
Interest on Margin Loan	**154,610,327**	**188,489,869**
22 Interest Expense on Short Term Loan		
Interest expenses on NCC Bank Loan	**190,372,047**	**222,924,029**
23 Other Income		
Interest on balance with other Banks	7,794,172	4,071,915
Dividend on shares	11,752,782	621,208
Other Income	34,500	-
	19,581,454	**4,693,123**
24 Salary and allowances		
Basic Salary	17,677,119	15,504,471
House Rent Allowance	4,958,175	4,802,092
Entertainment Allowance	726,312	593,340
Medical Allowance	1,583,569	1,259,329
Conveyance Allowance	984,966	818,536
Washing Allowance	26,400	26,400
Contribution to Provident Fund	1,203,072	1,348,050
Special Allowance	154,000	44,000
Bonus	3,700,400	3,525,250
Casual Wages	496,368	1,017,500
	31,510,381	**28,938,968**
25 Rent, Taxes, Insurance, Electricity etc.		
Rent Office	10,896,121	9,752,027
Insurance Premium	-	35,723
Electricity	1,665,845	1,475,840
	12,561,967	**11,263,590**
26 Postage, Stamp & Telecommunication		
Stamp, Postage & Courier	48,962	52,392
Telephone	211,504	225,730
	260,466	**278,122**
27 Stationery, Printing and Advertisement		
Printing and Press	424,215	618,512
Office Stationary	666,483	-
Publicity & Advertisement	50,000	20,700
	1,140,698	**639,212**
28 Directors' Fees		
Directors' Fees	**212,500**	**231,250**
29 Audit Fees		
Statutory annual audit fees (including VAT)	**34,500**	**34,500**
30 Depreciation and repair of company's assets		
Depreciation on Fixed Assets (Annexure-A)	3,444,004	3,447,642
Amortization of Preliminary Expenses	-	519,623
Amortization of Software (Annexure-B)	571,394	485,229
	4,015,398	**4,452,494**

	2016 Taka	2015 Taka
31 Other Expenses		
Utilities	98,600	107,867
Newspaper & Periodicals	89,874	88,904
Donations	5,000	-
Office Cleaning	8,500	-
Fuel cost for vehicle	-	81,660
Liveries & Uniform	50,960	61,308
Travelling expenses	161,849	553,412
Conveyance	65,332	75,478
Entertainment	905,411	724,942
Legal & Professional Fees	143,300	107,500
Connectivity Charges	3,644,396	3,271,172
Subscription, Renewal & Registration	598,820	631,106
Training, Development & Promotion	95,336	-
Car Maintenance	-	42,834
LFA Expenses	219,250	10,000
Repair & Maintenance	2,903,957	1,462,197
Photographic charge	-	1,200
Mobile Bill Allowance	405,350	353,893
Bank Charges	14,265	37,416
Clearing Charge	-	12,376
Business Promotion Expenses	52,850	159,224
Excess Duty	54,000	85,500
Regulatory Penalty	500,000	-
Service Charges	103,435	384,341
	10,120,485	**8,252,330**
32 Reconciliation of Cash Flow Statement from Operating Activities under Indirect Method		
Cash flows from operating activities under indirect method:		
Profit/(loss) before provision	**18,705,580**	**5,164,790**
Adjustment for non cash items:		
Depreciation on fixed asset (Annexure-A)	3,444,004	3,447,642
Amortization of preliminary expenses	-	519,623
Amortization of software	571,394	485,229
Sub total of non cash items	**4,015,398**	**4,452,494**
Changes in operating assets & liabilities		
Changes in accounts receivables	(125,508,454)	(7,976,402)
Changes in advance, deposit & prepayments	(3,951,574)	(458,628)
Changes in accounts payable	123,892,910	564,180,302
Changes in others liabilities	(501,550)	(522,669)
Sub total	(6,068,667)	555,222,602
Capital gain/(loss) on sale of shares in investing activities	(2,770,942)	(2,480,544)
Dividend income considered in investing activities	(11,752,782)	(621,208)
Sub total	**(14,523,723)**	**(3,101,752)**
Income taxes paid	(15,879,958)	(21,590,425)
Sub total	**(15,879,958)**	**(21,590,425)**
Net cash from operating activities	**(13,751,370)**	**540,147,709**

33 Events After the Reporting Period

The Board of Director's of the Company in it's meeting held on 10 April 2017 approved these financial statement's and authorized the same for issue.

Company Secretary **Chief Executive Officer (c.c)** **Chairman**

NCCB Securities and Financial Services Limited

Schedule of Property, Plant & Equipment

As at 31 December 2016

Particulars	Cost				Rate of Depreciation	Depreciation				Written Down Value (WDV) as at 31 December 2016
	Balance as 1st January 2016	Addition During the Year	Disposal/ adjustment during the Year	Balance as at 31 December 2016		Balance as 1st January 2016	Charged for the Year	Disposal/ adjustment during the Year	Balance as at 31 December 2016	
Computer & Peripherals	14,911,592	783,395	-	15,694,987	20%	11,440,531	1,982,530	-	13,423,061	2,271,926
Office Equipment	7,820,883	734,990	-	8,555,873	20%	5,312,192	551,498	-	5,863,690	2,692,183
Furniture & Fixture	14,101,105	2,188,620	-	16,289,725	10%	6,293,772	909,977	-	7,203,749	9,085,976
Total	36,833,580	3,707,005	-	40,540,585		23,046,495.00	3,444,005	-	26,490,499.67	14,050,085

NCCB Securities and Financial Services Limited

Schedule of Intangibles

As at 31 December 2016

Particulars	Cost				Rate of Depreciation	Depreciation				Written Down Value (WDV) as at 31 December 2016
	Balance as 1st January 2016	Addition During the Year	Disposal/ adjustment during the Year	Balance as at 31 December 2016		Balance as 1st January 2016	Charged for the Year	Disposal/ adjustment during the Year	Balance as at 31 December 2016	
Software	2,849,160	-	-	2,849,160	20%	1,335,487	571,394	-	1,906,881	942,280
Total	2,849,160	-	-	2,849,160		1,335,487	571,394	-	1,906,881	942,280

NCCB Securities and Financial Services Limited

Corporate Tax position

As at 31 December 2016

Accounting Year	Assessment Year	Provision for Income Tax	Advance Income Tax Paid	Tax Liability as per Return	(Short)/Excess	Remarks
1	2	3	4	5	6=(3-5)	7
2011	2012-2013	84,544,924	69,966,727	69,966,727	14,578,197	Return Filed u/s -82BB of ITO-1984
2012	2013-2014	43,734,860	52,811,854	52,811,854	(9,076,994	Appealed filed before tribunal u/s 156 of ITO -1984
2013	2014-2015	65,086,678	59,350,764	59,350,764	5,735,914	Return Filed u/s -82BB of ITO-1984
2014	2015-2016	7,879,650	19,340,561	8,034,124	(154,474)	Return Filed u/s -82BB of ITO-1984
2015	2016-2017	1,094,359	21,590,425	11,916,092	(10,821,733)	Return Filed u/s -82BB of ITO-1984
2016	2017-2018	15,461,946	15,858,961	-	15,461,946	
Total Amount		217,802,417	238,919,292	202,079,561	15,722,856	

Directors' Report of
NCCB Capital Limited

Dear Shareholders,

I am pleased to present the Directors' Report of the NCCB Capital Ltd. for the year ended on 31.12.2016 together with audited financial statement and auditors report thereon along with the Company's state in compliance with the Companies Act-1994.

Dear Shareholders,

You are aware that due to policy reasons of the licensing authority, we are still waiting for obtaining license from the competent authority and as such it was not possible for us to start operational activities of the company. However, we are hopeful that the legal and procedural hindrance will be clear out. The Management of the parent company is putting its efforts to obtain required license at the earliest.

Due to absence of license, the company was compelled to endure another year of its existence without producing any result. However, a brief description is appended below about the affairs of the company as on 31.12.2016 for ready reference.

Authorized and Paid-up Capital: The Authorized and Paid-up Capital of the Company remained at Tk. 1000 Million and Tk. 250 Million respectively as on 31.12.2016.

Operational Result: The Company due to its inoperative state suffered operational loss for the year ended on 31.12.2016 to the tune of Tk. 29,765 only.

Conclusion:
We sincerely hope that it will be possible to obtain required license soon and we can start operation which would enable us to play our desired role to the growth of the sector in near future. We take this opportunity to place our sincere thanks and gratitude to all concerned including Registrar of Joint Stock Co. and Bangladesh Bank for their cooperation and guidance. Our thanks also go to the members of the Board of Directors of the Company for their prudent guidance so far.

Thanking you.



A. S. M. Main Uddin Monem
Chairman

NCCB Capital Limited
Auditor's Report to the Shareholders

We have audited the accompanying financial statements of NCCB Capital Limited (the "Company"), which comprise the statement of financial position as at 31 December 2016 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2016 and of its financial performance and its cash flows for the year then ended in accordance with the Bangladesh Financial Reporting Standards (BFRS).

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report that:

(i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(ii) in our opinion, proper books of account as required by law have been kept by the Company, so far as it appeared from our examination of those books;

(iii) the Company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

(iv) the expenditure incurred were for the purposes of the Company's business.

Hoda Vasi Chowdhury & Co

Hoda Vasi Chowdhury & Co
Chartered Accountants

Dhaka, 05 April 2017

NCCB Capital Limited

Statement of Financial Position

As at 31 December 2016

Particulars	Note	31.12.2016 Taka	31.12.2015 Taka
Sources of fund			
Shareholders' equity			
Share capital	3	250,000,000	250,000,000
Retained earnings	4	8,503,839	8,533,604
		258,503,839	258,533,604
Total Sources of fund		**258,503,839**	**258,533,604**
Applications of fund			
Non-current assets		-	-
Current assets			
Cash and cash equivalents	5	258,528,839	258,545,104
Advance and prepayments	6	5,156,780	5,156,780
		263,685,619	263,701,884
Less: Current liabilities			
Payable to NCC Bank Limited	7	12,500	-
Provision for expenses	8	12,500	11,500
Provision for taxation	9	5,156,780	5,156,780
		5,181,780	5,168,280
Net current assets		**258,503,839**	**258,533,604**
Total Applications of fund		**258,503,839**	**258,533,604**

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

sd/-
Company Secretary

sd/-
Chief Executive Officer

sd/-
Chairman

See annexed auditors' report to the shareholders of even date

Dhaka,05 April 2017

sd/-
Hoda Vasi Chowdhury & Co
Chartered Accountants

NCCB Capital Limited

Statement of Comprehensive Income

For the year ended on 31 December 2016

Particulars	Note	2016 Taka	2015 Taka
Operating income		-	-
Less: Operating expenses		-	-
Net Income from operation		-	-
Other income		-	-
		-	-
Less: Office & administrative Expenses	**10**	29,765	30,880
Profit/(Loss) before financial expenses		**(29,765)**	**(30,880)**
Less: Financial expenses		-	-
Net Profit/ (Loss) before tax		**(29,765)**	**(30,880)**
Less: Provision for income tax		-	-
Net Profit/(Loss) after tax		**(29,765)**	**(30,880)**

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

sd/-	sd/-	sd/-
Company Secretary	**Chief Executive Officer**	**Chairman**

See annexed auditors' report to the shareholders of even date

Dhaka, 05 April 2017

sd/-
Hoda Vasi Chowdhury & Co
Chartered Accountants

NCCB Capital Limited

Statement of Cash Flows

For the year ended on 31 December 2016

Particulars	2016 Taka	2015 Taka
Cash flows from operating activities		
Payment for office and administrative expenses	(16,265)	(45,130)
Income tax paid	-	(199,496)
Repayment of other liabilities	-	(12,243,210)
Net Cash generated from /used for operating activities	**(16,265)**	**(12,487,836)**
Cash flows from investing activities	**-**	**-**
Net cash used in investing activities	**-**	**-**
Cash flows from financing activities		
Issuance of share capital	-	-
Net cash received from financing activities	**-**	**-**
Net (decrease) / increase in cash and cash equivalents	**(16,265)**	**(12,487,836)**
Cash and cash equivalents at the beginning of the year	258,545,104	271,032,940
Cash and cash equivalents at the end of the year	**258,528,839**	**258,545,104**
Cash at bank	**258,528,839**	**258,545,104**

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

sd/-	sd/-	sd/-
Company Secretary	**Chief Executive Officer**	**Chairman**

NCCB Capital Limited

Statement of Changes in Equity

For the year ended on 31 December 2016

Particulars	Paid up capital	Retained earnings/ (accumulated losses)	Total
	Taka	Taka	Taka
Opening balance as at 01 January 2016	**250,000,000**	**8,533,604**	**258,533,604**
Profit/(Loss) during the period	-	(29,765)	(29,765)
Balance as at 31 December 2016	**250,000,000**	**8,503,839**	**258,503,839**

Particulars	Paid up capital	Retained earnings/ (accumulated losses)	Total
	Taka	Taka	Taka
Opening balance as at 01 January 2015	**250,000,000**	**8,342,114**	**258,342,114**
Prior year adjustment	-	222,370	222,370
Re-stated Balance	**250,000,000**	**8,564,484**	**258,564,484**
Profit/(Loss) during the period	-	(30,880)	(30,880)
Balance as at 31 December 2015	**250,000,000**	**8,533,604**	**258,533,604**

sd/-
Company Secretary

sd/-
Chief Executive Officer

sd/-
Chairman

NCCB Capital Limited

Notes to the financial statements

For the year ended on 31 December 2016

1 Background of the company:

NCCB Capital Limited (the "Company") a fully owned subsidiary company of NCC Bank Limited has been incorporated as a private limited company with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh bearing Registration No.C - 83649/10 dated April 01, 2010 under the Companies Act, 1994 having registered Office at NCC Bank Bhaban, 13/1, 13/2, Toyenbee Circular Road, Motijheel C/A, Dhaka-1000. (Previously at Bhuiyan Center, 68, Dilkusha C/A, Dhaka-1000)

1.1 Nature of business :

The Main objective of the Company is to act as a full fledged merchant banking activities like issue management, underwriting, advisory services. The company applied to the Securities & Exchange Commission for its license for carrying out its operations but yet to get clearance up to 31 December 2016, the company could not formally started its operation.

2 Basis of accounting

The Financial Statements, namely, Statement of financial position, Statement of Comprehensive Income, Cash Flow Statement, Statement of Changes in Equity and relevant notes thereto, of NCCB Capital Limited are prepared on a going concern basis under the historical cost convention and in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS) , the Companies Act-1994, and other laws and rules applicable thereto.

		31.12.2016 Taka	31.12.2015 Taka
3 Share capital :			
Authorized share capital (10,000,000 shares @ of Tk. 100 each)		**1,000,000,000**	**1,000,000,000**
Issued, subscribed and paid up capital (2,500,000 shares @ of Tk. 100 each)		250,000,000	250,000,000
		250,000,000	**250,000,000**
3 Percentage of shareholdings:			
Particulars	**No of shares**		
NCC Bank Limited	2,499,999	249,999,900	249,999,900
Mr. Gazi Hassan Mahmood	1	100	100
	2,500,000	**250,000,000**	**250,000,000**
4 Retained earnings			
Opening balance		**8,533,604**	**8,342,114**
Add: Prior year adjustment for charging over expenditure in 2010		-	222,370
Re-stated Balance		**8,533,604**	**8,564,484**
Add: Profit/(Loss) during the year		(29,765)	(30,880)
Closing balance		**8,503,839**	**8,533,604**

	31.12.2016 Taka	31.12.2015 Taka
5 Cash & cash equivalents		
Cash in hand		-
Cash at bank:		
Current deposit account with NCCBL, Dilkusha branch (Account No.0028-0210017040)	258,528,839	258,545,104
	258,528,839	**258,545,104**
6 Advances & prepayments		
Advance against office rent		-
Interest receivable on FDR		-
Advance income tax paid	2,817,308	2,817,308
Advance income tax deducted at source on interest of FDR	2,339,472	2,339,472
	5,156,780	**5,156,780**
7 Payable to NCC Bank Limited		
Payable against advance income tax of the company	-	-
Audit fees	12,500	
	12,500	**-**
8 Provision for expenses		
Audit Fee	12,500	11,500
	12,500	**11,500**
9 Provision for income tax		
Opening balance	5,156,780	5,156,780
Add: Addition during the period	-	-
Closing balance	**5,156,780**	**5,156,780**

	2016 Taka	2015 Taka
10 Office and administrative expenses		
Bank charges	16,265	16,380
Audit fees	13,500	11,500
Others	-	3,000
	29,765	**30,880**
11 Financial expenses	-	-

12 Reporting currencies :

The figure in the financial statement represent Bangladeshi Taka currency and rounded off to the nearest Taka.

13 Reporting period

These Financial Statements cover the period from 01 January 2016 to 31 December 2016.

sd/-	sd/-	sd/-
Company Secretary	**Chief Executive Officer**	**Chairman**

BRANCHES NATIONWIDE

1985

25 Nov 1985
Motijheel Branch
Bhuiyan Mansion, 6, Motijheel
C/A Dhaka

1986

06 Jan 1986
Agrabad Branch
Rafique Tower
92, Agrabad C/A, Chittagong

27 Jan 1986
Khatungonj Branch
601, Ramjoy Mahajan lane,
Khatungonj, Chittagong

14 May 1986
Khulna Branch
3, K.D.Ghosh Road, Khulna

20 Oct 1986
Babubazar Branch
Reaz Medicine Market, 57,
Mitford Road, Babubazar, Dhaka

11 Dec 1986
Jubilee Road Branch
Dominion Plaza, 5, Jubilee
Road,Chittagong

22 Dec 1986
O.R. Nizam Road Branch
Equity Centrium, 1532
O.R. Nizam Road, Chittagong

22 Dec 1986
Chowhatta Branch
Sayed Complex, Airport Road,
Amberkhana, Sylhet

28 Dec 1986
Dhanmondi Branch
Quality Center, 744, Satmasjid
Road, Dhanmondi, Dhaka

29 Dec 1986
Moghbazar Branch
382, Tongi Diversion Road
Moghbazar, Dhaka

1987

10 June 1987
Gulshan Branch
51, Gulshan Avenue
Gulshan, Dhaka

28 June 1987
Malibagh Branch
B-61-A, Malibagh Chowdhury
Para, D.I.T Road, Malibagh,Dhaka

1987

29 June1987
Cox's Bazar Branch
Main Road, Bazarghata
Cox's Bazar

15 Jul 1987
Laldighirpar Branch
Idris Bhaban, Mahajan Patty,
Laldighirpar, Sylhet

20 Jul 1987
Jatrabari Branch
Haji Samad Super Market
123/1-A, South Jatrabari, Dhaka

21 Jul 1987
Mirpur Branch
Fahad Complex, Plot 1/1, Main
Road-1, Section –10, Mirpur, Dhaka

1993

27 Dec 1993
Kadamtali Branch
Rafique Plaza, 1151, D.T.
Road, Kadamtali Chittagong

11 Dec 1993
Feni Branch
Haji Ibrahim Hossain Market,
10, Trunk Road, Feni

1994

04 Jun 1994
Laxmipur Branch
Chowdhury Super Market,
College Road, Laxmipur

18 Jun 1994
Mitford Branch
Paradise Bhaban, 34, Mitford
Road, Dhaka

28 Aug 1994
Bangshal Branch
216, Bangshal Road
Dhaka

25 Sep 1994
Majhirghat Branch
Kabir Mansion, 15, Strand Road
Majhirghat, Chittagong

11 Dec 1994
Moulvibazar Branch
Yakub Mansion, Sylhet Road,
Moulvibazar

1995

25 Oct 1995
Jessore Branch
43, M.K. Road, Jessore

23 Nov 1995
Rangpur Branch
Monjuri Plaza (1st Floor)
8/9, G.L. Roy Road, Rangpur

1996

02 Dec 1996
Kawranbazar Branch
Jahangir Tower
10, Kazi Nazrul Islam Avenue
Kawranbazar C/A, Dhaka

1997

24 Jul 1997
Dilkusha Branch
Hussain Chamber, 43, Dilkusha
C/A, Dhaka

2001

26 Jun 2001
Islampur Branch
2/3, Ahsanullah Road,
Islampur, Dhaka

13 Jul 2001
Halishahar Branch Plot No. 9,
Block- L, Port Connecting Road,
Halishahar, Chittagong.

2002

12 Jan 2002
Foreign Exchange Branch
29/A, Toyenbee Circular Road,
Motijheel C/A, Dhaka

25 Apr 2002
Madunaghat Branch
Madunaghat Bazar, Rashid Bari,
Kaptai Road,Hathazari, Chittagong

BRANCHES NATIONWIDE

2003

27 Feb 2003
Uttara Branch
Plot-1, Road-12, Sector-6
Uttara Model Town, Dhaka

2004

12 Oct 2004
Baralekha Branch
Dakhhin Bazar, Main Road,
Baralekha, Moulvibazar

28 Nov 2004
Syedpur Branch
Kohinoor mansion, Shaheed Dr. Zikrul Haque Road, Syedpur, Nilpahamari

28 Dec 2004
Baraiyarhat Branch
Green Tower(1st floor)
Holding No.377/01, Ward No-2
Baraiyarhat, Chittagong

23 Dec 2004
Patgram Branch
Asir Plaza,High School Road
Patgram, Lalmonirhat

2005

26 Sep 2005
Nababgonj Branch
P.O. Nababgonj, P.S: Nababgonj, Dhaka

25 Oct 2005
Rajshahi Branch
Mangal Bhaban, 447, Alupatti More, Rajshahi

30 Nov 2005
Madhabdi Branch
School Super Market Complex,
Madhabdi Bazar, Madhabdi, Narsingdi

14 Dec 2005
Elephant Road Branch
Spectra Maqsood Tower, 65
Elephant Road, Dhaka

22 Dec 2005
Anderkilla Branch
Hara Kishare Chowdhury Trust
1209, K.B. Aman Ali Road
Kotwali, Chittagong

26 Sep 2005
Nababgonj Branch
P.O. Nababgonj, P.S: Nababgonj, Dhaka

2005

25 Oct 2005
Rajshahi Branch
Mangal Bhaban, 447, Alupatti More, Rajshahi

30 Nov 2005
Madhabdi Branch
School Super Market Complex,
Madhabdi Bazar, Madhabdi, Narsingdi

14 Dec 2005
Elephant Road Branch
Spectra Maqsood Tower, 65
Elephant Road, Dhaka

22 Dec 2005
Anderkilla Branch
Hara Kishare Chowdhury Trust
1209, K.B. Aman Ali Road
Kotwali, Chittagong

2006

03 Aug 2006
Bogra Branch
Bashiran Market, Kabir Nazrul Islam Road, Jhawtala, Bogra.

29 Aug 2006
Hajigonj Branch
Ahmed Plaza (1st floor), 79/64
Hajigonj, Bazar, Chandpur

12 Sep 2006
Nawabpur Road Branch
Majnu Hardware Market, 140-141
Nawabpur Road, Dhaka

21 Sep 2006
Madaripur Branch
488, Madaripur New Market, Puran Bazar, Main Road, Madaripur

12 Nov 2006
Chakaria Branch
Al-Aksha Shopping Complex, 57, Chringa Bus Station, Chakaria, Cox's Bazar

17 Dec 2006
Chaumuhani Branch
Chaumuhani Plaza
51, D.B. Road, Chaumuhani, Noakhali

19 Dec 2006
Banani Branch
Tower-52(1st and 2nd floor),
Road-11, Block-C, PS-Banani
Banani, Dhaka

2007

06 Jun 2007
Jagannathpur Branch
Abu Taher Complex, Ranigonj Road, Jagannathpur, Sunamgonj

30 Oct 2007
CEPZ Branch
Ali Plaza, CEPZ Gate, Airport Road,
South Halishahar, Bandar, Chittagong

28 Nov 2007
Comilla Branch
Samobaya Bank Bhaban
385, Kandhirpar, Comilla

18 Dec 2007
Shyamoli Branch
BBTOA Bhaban, 9, Kallyanpur,
Mirpur Road, Dhaka

30 Dec 2007
Savar Branch
Savar New Market, 3, Savar
Pourasova, Dhaka

2008

28 Aug 2008
Bijoynagar Branch
Saiham Sky View Tower, 45,
Bijoynagar, Dhaka

21 Oct 2008
Keranihat Branch
Haque Tower Shopping Complex,
Keranihat, Satkania, Chittagong

20 Nov 2008
Raipur Branch
Haji Wahab Super Market, Raipur
Main Road, Raipur, Laxmipur

28 Dec 2008
Joydevpur Branch
Rahmat Tower, Chandana
Chowrasta, Joydevpur, Gazipur

2009

07 May 2009
Naogaon Branch
Zahir Plaza, Main Road,Naogaon

08 Oct 2009
Kushtia Branch
Momtaz Tower, Jaliram Agarwala
Lane, N.S Road, Kushtia

15 Oct 2009
Tangail Branch
Mosjid Road, Pachani Bazar,Tangail

15 Nov 2009
Madhupur Branch
Momenshahi Road, Sader Super
Market, Madhupur, Tangail

BRANCHES NATIONWIDE

2009

22 Nov 2009
Nazirhat Branch
Hossain Plaza, Jhonker More,
Nazirhat, Fatickchori, Chittagong

25 Nov 2009
Nabigonj Branch
Natun Bazar, Nabigonj,
Habigonj

24 Dec 2009
Gouripur Branch
Gouripur Bazar, Thana-
Daudkandi, Dist: Comilla

27 Dec 2009
Pragoti Sarani Branch
Badda Tower, Cha 72/1, North
Badda, Pragoti Sarani, Dhaka

2010

22 Mar 2010
Narayangonj Branch
Tara Miah Mansion 187,
Bangabandhu Road, Narayangonj

10 May 2010
Baneswar SME/Agri. Branch
Baneswar Bazar, Puthia,
Rajshahi

23 May 2010
Kamal Bazar Branch
Laila Centre (2nd Floor)
3068, 4063, Kamal bazar, Mohora
Kalurghat, Chandgaon, Chittagong

22 Jul 2010
Mymensingh Branch
Friends Tower, 21, Durgabari
Road, Mymensingh

02 Sep 2010
Narsingdi Branch
2, C & B Road, Narsingdi

22 Sep 2010
Aman Bazar Branch
Aman Bazar, PS- Hathazari,Chittagong

23 Sep 2010
Madam Bibirhat Branch
Madam Bibirhat, PS-
Sitakunda, Dist: Chittagong

11 Oct 2010
Kachua SME/Agri Branch
Mojibul Hoque Shopping Complex,
305, Main Road, Kachua, Chandpur

09 November 2010
Brahmanbaria Branch
Al Amin Plaza" (1st floor),
Ward No-10,Brahmanbaria Sadar,
T.A. Road, Brahmanbaria

14 December 2010
Faridgonj SME/Agri. Branch
Baganbari, Faridgonj,
Chandpur

2010

14 December 2010
Ramgonj SME/Agri Branch
Sepali Super Market, Ramgonj,
Laxmipur

15 December 2010
Tongi Branch
Sher-E-Bangla Ceramic
Market, Tongi, Gazipur

21 December 2010
Maijdee SME/Agri. Branch
Main Road, Maijdee
Noakhali

23 December 2010
Rampur SME/Agri. Branch
Rampur Bazar, Kalihati
Tangail

31 December 2010
Noria SME Service Center
Plot No. 168-169, Noria Bazar
Ps. Noria, Dist. Shariatpur

2011

24 Mar 2011
Chagalnaiya Branch
Dakbangla Road, Feni

5 May 2011
Barisal Branch
Upandra Bhaban, 102/103,
Sadar Road, Barisal

26 Sept 2011
Akhaura Branch
Hazi Nur Market, Sarkar Bazar
Akhaura, B.Baria

9 Octo 2011
Sonagazi SME/Agri. Branch
Hazi Hahim Ullah Complex
Main Road, Sonagazi, Feni.

27 Octo 2011
Panthapath Branch
Monem Business District
East Tower (Level-3)
111, Bir uttam, C.R. Datta Road, Dhaka

11 Dec 2011
Dinajpur Branch
Taj Bhaban, Munshipara, Dinajpur

18 Dec 2011
Sreemangal Branch
Khan Mansion, Moulvibazar Road
Sreemangal, Moulvibazar.

28 Dec 2011
Boalkhali Branch
Kabir Center, Boalkhali,
Chittagong.

2012

Sep 9, 2012
Juri Branch
Juri New Market Bhaban (1st Floor)
Juri, Moulvibazar.

Sep 25, 2012
Rayer Bazar Branch
Rayer Bazar, Atharabri,
Ishwargonj, Mymensingh.

Nov 22, 2012
Mohipal Branch
N.R. Tower, 151, S.S.K. Road,
Mohipal, Feni

Dec 12, 2012
Parulia Branch
Parulia Bazar, Debhata, Satkhira

Dec 26, 2012
Dhakhinkhan Branch
K.C. Plaza, Dhakhinkhan, Dhaka.

Dec 27, 2012
Bashundhara Branch
186, Avenue Road, Block #B,
Bashundhara, Dhaka.

2013

Feb. 27, 2013
BISHAW ROAD MORE BRANCH
Green Corner (1st & 2nd floor),
Bishaw Road More, Dhaka
Sylhet Highway, Brahmanbaria.

March 31, 2013
KUMARPARA BRANCH
Mostafa Tower, (1st floor)
Kumarpara, Sylhet.

June 27, 2013
SREENAGAR BRANCH
M. Rahman Complex (1st floor),
Holding No- 1753, Sreenagar,
Munshiganj.

September 7, 2013
OXYGEN MORE BRANCH
Jilani Tower, (1st floor), 1138,
West Sholoshahar, Chittagong.

September 8, 2013
PAHARTALI CHAUMUHANI BRANCH
Green Centre (1st floor) Pahartali
Chawmuhani, Raojan, Chittagong

November 10, 2013
DARUS SALAM ROAD BRANCH
Sanghita Super Market (1st floor), 5/8
North West Darus Salam Road, Mirpur-1, Dhaka-1216.

December 20, 2013
NCC BANK BHABAN BRANCH
13/1-13/2-Toyenbee Circular Road,
Motijheel C/A. Dhaka-1000

December 30, 2013
NARIA SME/AGRI. BRANCH
Ward No.-2, Naria Pourashava,
Naria, Sariatpur.

BRANCHES NATIONWIDE

2014

Nov. 27, 2014
NANGOLKOT BRANCH
Haji Ali Miah Tower
48, Nangolkot, Comilla.

Dec. 21, 2014
NANDAIL BRANCH
Shopnil Plaza, 189, Bus Stand Road
Nandail Mymensingh.

2015

March 29, 2015
BARIDHARA BRANCH
Empori Financial Tower
House No. 06, Road No. 93
Gulshan, Barishara, Dhaka.

2016

December 26, 2016
PARSHURAM BRANCH
Anowara Shopping Complex
Holding No-235, Parshuram, Feni

December 29, 2016
HOSSAINPUR BRANCH
Azim Super Market (1st floor)
Holding No-258,
Hossainpur, Kishoregonj

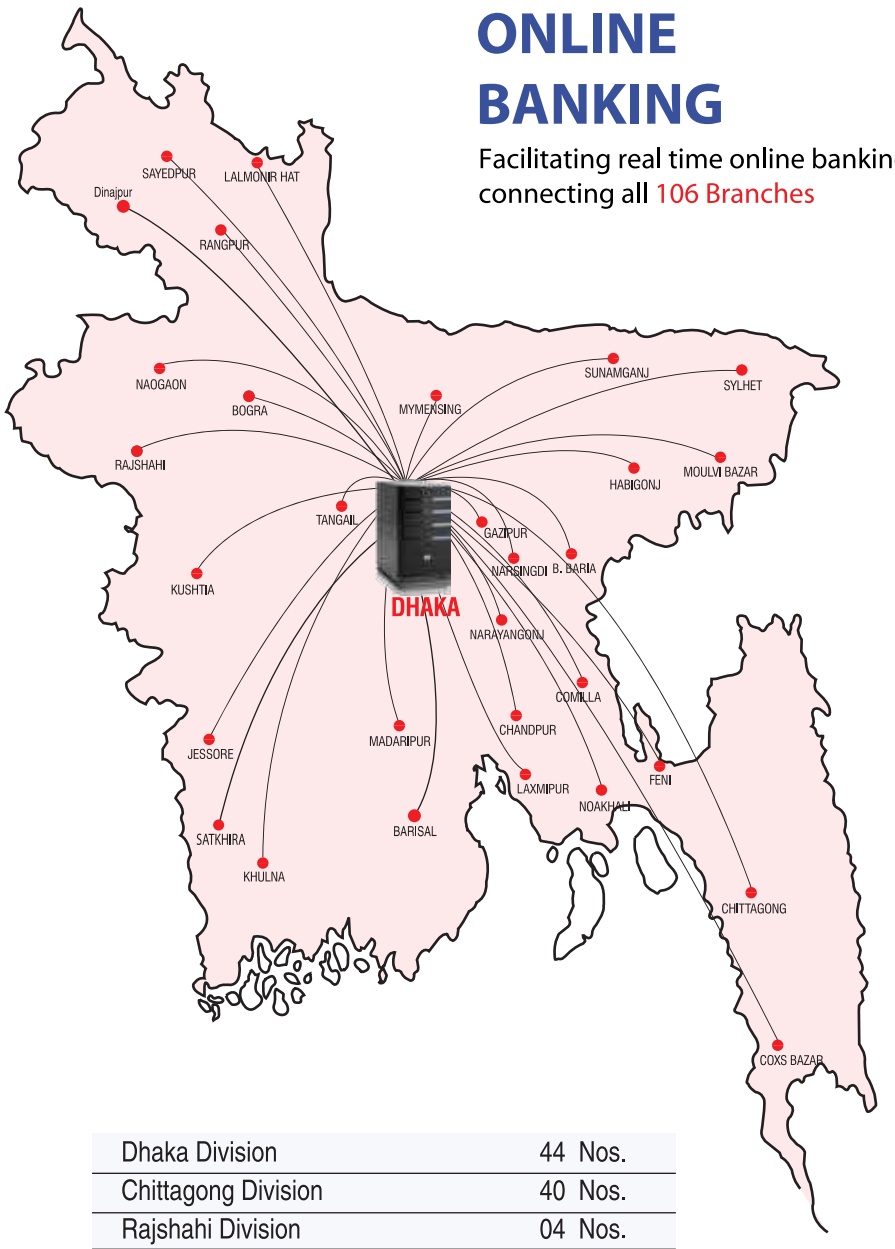
Bill Collection
Both

24 Feb 1998
Uttara Model Town
33/11, K.B. Upo Kendro, Sector#6,
Shahjalal Ave, Uttara, Dhaka

13 Nov 2008
Maniknagar Booth
22/6/1-2, North Golapbagh,
Dhaka

ONLINE BANKING

Facilitating real time online banking connecting all 106 Branches



Dhaka Division	44 Nos.
Chittagong Division	40 Nos.
Rajshahi Division	04 Nos.
Khulna Division	04 Nos.
Sylhet Division	09 Nos.
Rangpur Division	04 Nos.
Barisal Division	01 Nos.

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2017/100

BAPLC

Date of issue 2nd March 2017

Renewed Certificate

This is to certify that

NATIONAL CREDIT AND COMMERCE BANK LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies *and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2017.

Bangladesh Association of Publicly Listed Companies BAPLC

Secretary-General
(Acting)



NCC Bank
With You. Always.

NATIONAL CREDIT AND COMMERCE BANK LIMITED

Head Office: NCC Bank Bhaban
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Email: info@nccbank.com.bd
www.nccbank.com.bd