

National Credit and Commerce Bank Limited and its Subsidiaries
Consolidated Balance Sheet
As at 31 December 2011

PROPERTY AND ASSETS		<u>2011</u>	<u>2010</u>
	Notes	<u>Taka</u>	<u>Taka</u>
Cash:			
In hand (including foreign currencies)	4(a)	774,915,500	731,592,743
Balances with Bangladesh Bank and its agent bank (s) (including foreign currencies)	5	5,667,122,581	5,500,014,510
Balances with other Banks and Financial Institutions	6(a)	463,435,284	567,325,877
In Bangladesh		146,390,821	331,517,804
Outside Bangladesh		317,044,463	235,808,073
Money at call and short notice	7	-	-
Investments	8(c)	20,859,689,665	10,980,808,236
Government		19,926,233,619	10,262,306,887
Others		933,456,046	718,501,349
Loans and advances	9(i)	73,107,385,390	63,230,141,628
Loans, cash credits, overdrafts, etc.		69,913,749,496	59,632,249,645
Bills purchased & discounted		3,193,635,894	3,597,891,983
Fixed assets including premises, furniture and fixtures	10(a)	1,520,387,803	1,191,493,190
Other assets	11(a)	1,290,795,637	1,352,801,369
Non-banking assets		-	-
TOTAL ASSETS		<u>103,683,731,860</u>	<u>83,554,177,553</u>
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from Other Banks, Financial Institutions and agents	12	5,565,102,190	1,847,028,696
Deposits and other accounts:	13 (c)	81,152,374,463	67,961,244,777
Current deposits and other accounts		7,699,404,796	7,743,923,234
Bills payable	13.1	1,780,398,167	1,011,380,380
Savings Bank Deposits		8,198,956,190	7,477,106,648
Fixed Deposits		45,892,585,307	39,313,895,416
Term deposits		17,581,030,003	12,414,939,099
Other liabilities	14(a)	5,344,442,405	4,388,794,697
TOTAL LIABILITIES		92,061,919,058	74,197,068,170
Shareholders' Equity			
Share Capital			
Paid up Capital	15.2	5,941,654,350	4,501,253,300
Statutory Reserve	16	3,269,492,825	2,543,463,417
General Reserve	17	10,162,348	7,162,348
Minority Interest	15.8	115	-
Other reserve-Assets Revaluation Reserve	18	504,453,078	476,723,217
Profit and Loss account-Retained Earning	19(a)	1,896,050,086	1,828,507,101
TOTAL SHAREHOLDERS' EQUITY		<u>11,621,812,802</u>	<u>9,357,109,383</u>

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

	<u>103,683,731,860</u>	<u>83,554,177,553</u>
	<u>2011</u>	<u>2010</u>
Note	Taka	Taka

CONTRA ENTRIES**Off balance sheet items:****Contingent liabilities**

Acceptances and endorsements	20.1	8,722,823,370	5,404,953,559
Letters of Guarantee	20.2	5,029,034,026	4,998,144,544
Letters of Credit issued	20.3	6,190,242,028	7,081,485,130
Bills for Collection	20.4	62,033,933	7,967,342
Other contingent liabilities :			
Claims against the bank not acknowledged as debt		-	-
Capital Commitments		-	-
Export Development Fund (EDF)		133,234,000	-
Total Off Balance Sheet Items		<u>20,137,367,357</u>	<u>17,492,550,575</u>

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

Sd/-

Chairman

Sd/-

Director

Sd/-

Director

Sd/-

Managing Director & CEO

Auditors' report to the shareholders
See annexed report of date

Dated: Dhaka, February 26, 2012

Hoda Vasi Chowdhury & Co.
Chartered Accountants

National Credit and Commerce Bank Limited

Balance Sheet

As at 31 December 2011

PROPERTY AND ASSETS	<u>Notes</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Cash:			
In hand (including foreign currencies)	4	774,915,500	731,592,743
Balances with Bangladesh Bank and its agent bank (s) (including foreign currencies)	5	5,667,122,581	5,500,014,510
Balances with other Banks and Financial Institutions	6	462,493,232	567,325,877
In Bangladesh		145,448,769	331,517,804
Outside Bangladesh		317,044,463	235,808,073
Money at call and short notice	7	-	-
Investments	8	20,840,288,280	10,980,808,236
Government		19,926,233,619	10,262,306,887
Others		914,054,661	718,501,349
Loans and advances	9	72,733,540,709	63,230,141,628
Loans, cash credits, overdrafts, etc.		69,539,904,815	59,632,249,645
Bills purchased & discounted		3,193,635,894	3,597,891,983
Fixed assets including premises, furniture and fixtures	10	1,506,770,757	1,191,493,190
Other assets	11	1,525,568,280	1,352,801,369
Non-banking assets		-	-
TOTAL ASSETS		103,510,699,339	83,554,177,553
LIABILITIES AND CAPITAL			
Liabilities:			
Borrowings from Other Banks, Financial Institutions and agents			
	12	5,565,102,190	1,847,028,696
Deposits and other accounts:			
	13	81,127,168,218	67,961,244,777
Current deposits and other accounts		7,674,198,551	7,743,923,234
Bills payable	13.1	1,780,398,167	1,011,380,380
Savings Bank Deposits		8,198,956,190	7,477,106,648
Fixed Deposits		45,892,585,307	39,313,895,416
Term deposits		17,581,030,003	12,414,939,099
Other liabilities	14	5,234,633,372	4,388,794,697
TOTAL LIABILITIES		91,926,903,780	74,197,068,170
Shareholders' Equity			
Share Capital			
Paid up capital	15.2	5,941,654,350	4,501,253,300
Statutory reserve	16	3,269,492,825	2,543,463,417
General reserve	17	10,162,348	7,162,348
Other reserve-Assets revaluation Reserve	18	504,453,078	476,723,217
Profit and loss account-Retained Earning	19	1,858,032,958	1,828,507,101
TOTAL SHAREHOLDERS' EQUITY		11,583,795,559	9,357,109,383
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		103,510,699,339	83,554,177,553

	<u>Notes</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
CONTRA ENTRIES		5,642,141,209	996527000
Off balance sheet items:			6,638,668,209
Contingent liabilities			
Acceptances and endorsements	20.1	8,722,823,370	5,404,953,559
Letters of guarantee	20.2	5,029,034,026	4,998,144,544
Letters of credit issued	20.3	6,190,242,028	7,081,485,130
Bills for collection	20.4	62,033,933	7,967,342
Other contingent liabilities :			
Claims against the bank not acknowledged as debt		-	-
Capital Commitments		-	-
Export Development Fund (EDF)		133,234,000	-
Total Off Balance Sheet Items		<u>20,137,367,357</u>	<u>17,492,550,575</u>

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

Sd/-

Chairman

Sd/-

Director

Sd/-

Director

Sd/-

Managing Director & CEO

Auditors' report to the shareholders
See annexed report of date

Dhaka, February 26, 2012

Hoda Vasi Chowdhury & Co.
Chartered Accountants

National Credit and Commerce Bank Limited and its Subsidiaries
Consolidated Cash Flow statement
For the year ended 31 December 2011

	<u>Notes</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
A) Cash flows from operating activities			
Interest received in cash		12,217,115,833	8,183,915,915
Interest paid by cash		(7,402,410,220)	(4,506,057,252)
Dividend received		9,312,936	6,721,428
Fees & Commission received in cash		832,278,905	1,035,063,188
Recoveries of loans previously written off		29,957,821	9,769,106
Cash paid to employees		(898,680,001)	(764,390,150)
Cash paid to suppliers		(221,231,359)	(198,461,656)
Income taxes paid		(1,234,907,741)	(771,948,964)
Received from other operating activities	37(a)	797,621,304	510,935,185
Paid for other operating activities	38(a)	(535,844,539)	(532,948,925)
Operating profit before changes in operating assets and liabilities		<u>3,593,212,939</u>	<u>2,972,597,875</u>
Increase/(Decrease) in Operating Assets & Liabilities			
Purchase-sale of trading securities		(9,642,174,460)	(1,208,534,701)
Loans and advances to other banks		-	-
Loans and advances to customers (Other than Banks)		(9,877,243,762)	(12,842,458,425)
Other assets	39(a)	1,513,097,089	182,665,690
Deposits from other Banks/Borrowings		3,678,443,516	470,000,000
Deposits from customers (Other than Banks)		13,651,129,686	13,591,094,142
Other liabilities account of customers		(1,491,275,516)	(1,634,005,420)
Trading liabilities		-	-
Other liabilities	40	(107,982,607)	(61,242,876)
Net Cash received from operating activities		<u>1,317,206,885</u>	<u>1,470,116,285</u>
B) Cash flows from investing activities			
Proceeds from sale of securities		359,601,378	3,348,653,455
Payment for purchase of Securities		(719,776,630)	(3,044,105,139)
Purchase of property , plant and equipment		(435,840,925)	(422,505,432)
Sales proceeds of Fixed assets		5,546,259	4,829,000
Purchase-sale of subsidiary		-	-
Net cash used in investing activities		<u>(790,469,918)</u>	<u>(113,128,116)</u>
C) Cash flows from financing activities			
Received from issue of loan capital and debt securities		(420,370,022)	24,331,764
Payment for redemption of loan capital & debt security		-	-
Receipts from issue of Right share		-	1,142,450,100
Interim Dividend paid to Minority Shareholder		(60)	-
Net cash received from financing activities		<u>(420,370,082)</u>	<u>1,166,781,864</u>
D) Net (decrease) / increase in cash (A+B+C)		<u>106,366,885</u>	<u>2,523,770,033</u>
Effects of exchange rate changes on cash and cash-equivalents			
E) Opening cash and cash-equivalents		<u>6,783,166,679</u>	<u>4,259,396,646</u>
F) Closing cash and cash-equivalents (D+E)	41(a)	<u><u>6,889,533,564</u></u>	<u><u>6,783,166,679</u></u>

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

Sd/ Chairman	Sd/- Director	Sd/- Director	Sd/- Managing Director & CEO
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National Credit and Commerce Bank Limited
Cash Flow statement
For the year ended 31 December 2011

	<u>Notes</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
A) Cash flows from operating activities			
Interest received in cash		12,073,965,378	8,183,915,915
Interest paid by cash		(7,402,410,220)	(4,506,057,252)
Dividend received		159,312,876	6,721,428
Fees & Commission received in cash		674,386,337	1,035,063,188
Recoveries of loans previously written off		29,957,821	9,769,106
Cash paid to employees		(876,451,589)	(764,390,150)
Cash paid to suppliers		(221,231,359)	(198,461,656)
Income taxes paid		(1,203,765,643)	(771,948,964)
Received from other operating activities	37	764,171,492	510,935,185
Paid for other operating activities	38	<u>(498,357,630)</u>	<u>(532,948,925)</u>
Operating profit before changes in operating assets and liabilities		3,499,577,463	2,972,597,875
Increase/(Decrease) in Operating Assets & Liabilities			
Purchase-sale of trading securities		(9,642,174,460)	(1,208,534,701)
Loans and advances to other banks		-	-
Loans and advances to customers (Other than Banks)		(9,503,399,081)	(12,842,458,425)
Other assets	39	1,247,182,248	182,665,690
Deposits from other Banks/Borrowings		3,678,443,516	470,000,000
Deposits from customers (Other than Banks)		13,625,923,441	13,591,094,142
Other liabilities account of customers		(1,516,539,625)	(1,634,005,420)
Trading liabilities		-	-
Other liabilities	40	<u>(107,982,607)</u>	<u>(61,242,876)</u>
Net cash received from operating activities		1,281,030,895	1,470,116,285
B) Cash flows from investing activities			
Proceeds from sale of securities		359,601,378	3,348,653,455
Payment for purchase of Securities		(700,375,245)	(3,044,105,139)
Purchase of property , plant and equipment		(435,532,163)	(422,505,432)
Sales proceeds of Fixed assets		21,069,990	4,829,000
Purchase-sale of subsidiary		-	-
Net cash used in investing activities		<u>(755,236,040)</u>	<u>(113,128,116)</u>
C) Cash flows from financing activities			
Received from issue of loan capital and debt securities		(420,370,022)	24,331,764
Payment for redemption of loan capital & debt security		-	1,142,450,100
Receipts from issue of Right share		-	-
Dividend paid		-	-
Net cash received from financing activities		<u>(420,370,022)</u>	<u>1,166,781,864</u>
D) Net (decrease) / increase in cash (A+B+C)		105,424,833	2,523,770,033
Effects of exchange rate changes on cash and cash-equivalents			
E) Opening cash and cash-equivalents		6,783,166,679	4,259,396,646
F) Closing cash and cash-equivalents (D+E)	41	<u><u>6,888,591,512</u></u>	<u><u>6,783,166,679</u></u>

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

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

National Credit and Commerce Bank Limited and its Subsidiaries
Consolidated Statement of changes in Equity
For the year ended 31 December 2011

Particulars	Paid up Capital	Statutory Reserve	General Reserve	Other Reserve	Minority Interest	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Balance at 1st January 2011	4,501,253,300	2,543,463,417	7,162,348	476,723,217	-	1,828,507,101	9,357,109,383
Changes in accounting policy	-	-	-	-	-	-	-
Restated balance	4,501,253,300	2,543,463,417	7,162,348	476,723,217	-	1,828,507,101	9,357,109,383
Surplus/(deficit) on account of revaluation of properties	-	-		-		-	-
Revaluation of Govt.securities (Treasury Bills/Bonds) HFT made during the year	-	-		27,729,861	-	-	27,729,861
Surplus/(deficit) on account of revaluation of Govt. securities (Treasury Bills/Bonds) HTM & HFT transferred to income A/C	-	-		-	-	-	-
Currency translation differences	-	-		-	-	-	-
Net gains and losses not recognized in the income Statement	-	-		-	-	-	-
Minority Interest	-	-	-	-	175		175
Interim Dividend paid to Minority Shareholders	-	-	-	-	(60)	-	(60)
Bonus Share for the year 2010	1,440,401,050					(1,440,401,050)	
Net profit for the year	-	-		-	-	2,236,973,443	2,236,973,443
Appropriations during the year:							
Transfer to Statutory Reserve	-	726,029,408	-	-	-	(726,029,408)	-
Transfer to General Reserve	-	-	3,000,000	-	-	(3,000,000)	-
Balance at 31 December 2011	5,941,654,350	3,269,492,825	10,162,348	504,453,078	115	1,896,050,086	11,621,812,802
Balance at 31 December 2010	4,501,253,300	2,543,463,417	7,162,348	476,723,217	-	1,828,507,101	9,357,109,383

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

National Credit and Commerce Bank Limited
Statement of changes in Equity
For the year ended 31 December 2011

Particulars	Paid up Capital Taka	Statutory Reserve Taka	General Reserve Taka	Other Reserve Taka	Retained earnings Taka	Total Taka
Balance at 1st January 2011	4,501,253,300	2,543,463,417	7,162,348	476,723,217	1,828,507,101	9,357,109,383
Changes in accounting policy	-	-	-	-	-	-
Restated balance	4,501,253,300	2,543,463,417	7,162,348	476,723,217	1,828,507,101	9,357,109,383
Surplus/(deficit) on account of revaluation of properties	-	-	-	-	-	-
Revaluation of Govt.securities (Treasury Bills/Bonds) HFT made during the year	-	-	-	27,729,861	-	27,729,861
Surplus/(deficit) on account of revaluation of Govt. securities (Treasury Bills/Bonds) HTM & HFT transferred to income A/C	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-
Net gains and losses not recognized in the income Statement	-	-	-	-	-	-
Minority Interest	-	-	-	-	-	-
Bonus Share for the year 2010	1,440,401,050	-	-	-	(1,440,401,050)	-
Net profit for the year	-	-	-	-	2,198,956,315	2,198,956,315
Appropriations during the year:	-	-	-	-	-	-
Transfer to Statutory Reserve	-	726,029,408	-	-	(726,029,408)	-
Transfer to General Reserve	-	-	3,000,000	-	(3,000,000)	-
Balance at 31 December 2011	5,941,654,350	3,269,492,825	10,162,348	504,453,078	1,858,032,958	11,583,795,559
Balance at 31 December 2010	4,501,253,300	2,543,463,417	7,162,348	476,723,217	1,828,507,101	9,357,109,383

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

National Credit and Commerce Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2011

	Notes	2011 Taka	2010 Taka
Interest income	22(a)	9,812,489,345	6,970,010,528
Less: Interest paid on deposits and borrowings	23(a)	8,007,521,018	4,483,541,724
Net interest income		1,804,968,327	2,486,468,804
Income from investments	24(a)	2,766,346,599	1,674,235,436
Commission, exchange and brokerage	25(a)	1,217,630,408	1,264,383,562
Other operating income	26(a)	311,076,702	249,363,175
Total operating income		6,100,022,036	5,674,450,977
Salary and allowances	27(a)	890,041,501	757,701,400
Rent, taxes, insurance, electricity etc.	28(a)	167,609,109	141,172,468
Legal expenses	29	5,341,160	4,228,198
Postage, stamp, telecommunication etc.	30(a)	26,456,073	27,084,121
Stationery, printing, advertisement etc.	31(a)	85,343,838	68,608,601
Managing Director's salary and allowances	32	8,638,500	6,688,750
Director's fees	33	2,045,000	2,406,000
Audit fees	34(a)	180,675	150,000
Depreciation and Repair of Bank's assets	35(a)	263,294,338	213,790,779
Other expenses	36(a)	313,744,586	352,415,319
Total operating expense		1,762,694,780	1,574,245,636
Profit before provisions		4,337,327,256	4,100,205,341
Provision for loans and advances		240,300,407	622,333,246
Specific Provision	14.4(a)	185,460,407	391,692,246
General Provision	14.4(b)	54,840,000	230,641,000
Provision for Off-balance sheet exposures	14.5	26,448,494	62,997,506
Provision for Gratuity	14.9	28,352,386	59,032,636
Provision for Investment Fluctuation in Shares	8.1	153,644,235	764,049
Provision for incentive Bonus		105,000,000	95,000,000
Provision for Other Assets	14.2	(5,795,586)	(4,475,368)
Total provisions		547,949,936	835,652,069
Profit after provision for Loans and Advances & other provisions		3,789,377,320	3,264,553,272
Contribution to NCC Bank Foundation	14.8	36,668,152	16,322,766
Profit before tax		3,752,709,168	3,248,230,506
Provision for tax	14.3	1,515,735,650	876,551,737
Current year		1,493,250,367	1,057,110,305
Prior years		15,118,002	25,886,372
Deferred Tax (Income)/Expenses	14.3.1	7,367,281	(206,444,940)
Profit after tax for the year		2,236,973,518	2,371,678,769
Attributable to:			
Shareholders of the Bank		2,236,973,443	2,371,678,769
Minority Shareholder		75	-
Add: Balance of profit brought forward from last year	19.1	388,106,051	46,474,433
Add: Amount transferred from General Reserve		-	60,000,000
Total profit available for distribution		2,625,079,494	2,478,153,202
Appropriations:			
Statutory reserve		726,029,408	649,646,101
General Reserve		3,000,000	-
		729,029,408	649,646,101
Retained earnings carried forward	19 (a)	1,896,050,086	1,828,507,101
Earning Per Share	42 (a)	3.76	5.33
Restated Earning Per Share	42 (a)	-	3.99

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

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

Auditors' report to the shareholders
See annexed report of date

Dhaka, February 26, 2012

Hoda Vasi Chowdhury & Co.
Chartered Accountants

National Credit and Commerce Bank Limited
Profit and Loss Account
For the year ended 31 December 2011

	<u>Notes</u>	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Interest income	22	9,669,338,890	6,970,010,528
Less: Interest paid on deposits and borrowings	23	8,007,521,018	4,483,541,724
Net interest income		1,661,817,872	2,486,468,804
Income from investments	24	2,916,346,539	1,674,235,436
Commission, exchange and brokerage	25	1,059,737,840	1,264,383,562
Other operating income	26	277,626,890	249,363,175
Total operating income		5,915,529,141	5,674,450,977
Salary and allowances	27	867,813,089	757,701,400
Rent, taxes, insurance, electricity etc.	28	158,644,635	141,172,468
Legal expenses	29	5,341,160	4,228,198
Postage, stamp, telecommunication etc.	30	25,948,342	27,084,121
Stationery, printing, advertisement etc.	31	84,768,275	68,608,601
Managing Director's salary and allowances	32	8,638,500	6,688,750
Director's fees	33	2,045,000	2,406,000
Audit fee	34	150,000	150,000.00
Depreciation and Repair of Bank's assets	35	251,599,871	213,790,779
Other expenses	36	295,815,140	352,415,319
Total operating expense		1,700,764,012	1,574,245,636
Profit before provisions		4,214,765,129	4,100,205,341
Provision for loans and advances		240,300,407	622,333,246
Specific Provision	14.4(a)	185,460,407	391,692,246
General Provision	14.4(b)	54,840,000	230,641,000
Provision for Off-balance sheet exposures	14.5	26,448,494	62,997,506
Provision for Gratuity	14.9	28,352,386	59,032,636
Provision for Investment Fluctuation in Shares	8.1	153,644,235	764,049
Provision for incentive Bonus		105,000,000	95,000,000
Provision for Other Assets	14.2	(5,795,586)	(4,475,368)
Total provisions		547,949,936	835,652,069
Profit after provision for Loans and Advances & other provisions		3,666,815,193	3,264,553,272
Contribution to NCC Bank Foundation	14.8	36,668,152	16,322,766
Profit before tax		3,630,147,041	3,248,230,506
Provision for tax	14.3	#####	876,551,737
Current year		1,408,705,443	1,057,110,305
Prior year		15,118,002	25,886,372
Deferred Tax (Income)/Expense	14.3.1	7,367,281	(206,444,940)
Profit after tax		2,198,956,315	2,371,678,769
Add: Balance of profit brought forward from last years	19.1	388,106,051	46,474,433
Add: Amount transferred from General Reserve		-	60,000,000
Total profit available for distribution		2,587,062,366	2,478,153,202
Appropriations:			
Statutory reserve		726,029,408	649,646,101
General Reserve		3,000,000	-
		729,029,408	649,646,101
Retained earnings carried forward	19	1,858,032,958	1,828,507,101
Earning per share	42	3.70	5.33
Restated Earning per share	42	-	3.99

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

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

Auditors' report to the shareholders
See annexed report of date

Dhaka, February 26, 2012

Hoda Vasi Chowdhury & Co.
Chartered Accountants

National Credit and Commerce Bank Limited and its Subsidiaries
Consolidated Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2011

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	774,915,500	-	-	-	-	774,915,500
Balances with other banks and financial institutions	1,348,948,933	-	37,500,000	4,744,108,932	-	6,130,557,865
Money at call & short notice	-	-	-	-	-	-
Investments	659,953,706	-	2,204,238,161	7,801,037,169	10,194,460,629	20,859,689,665
Loans & Advances	16,917,745,297	14,806,400,804	25,960,999,461	9,250,396,016	6,171,843,812	73,107,385,390
Fixed assets including land, building, furniture & fixtures	-	-	107,555,216	431,729,839	981,102,748	1,520,387,803
Other Assets	202,015,010	516,530,216	225,942,699	344,426,107	1,881,605	1,290,795,637
Non-banking assets	-	-	-	-	-	-
Total Assets	19,903,578,446	15,322,931,020	28,536,235,537	22,571,698,063	17,349,288,794	103,683,731,860
Liabilities:						
Borrowing from Other Banks, Financial Institutions & agents	4,138,443,516	37,553,801	156,048,688	1,054,784,476	178,271,709	5,565,102,190
Deposits	13,525,010,853	14,662,388,555	25,740,622,752	16,025,788,053	9,418,166,083	79,371,976,296
Bills Payable	1,780,398,167	-	-	-	-	1,780,398,167
Provision & other liabilities	256,336,640	827,201,719	1,923,717,305	1,350,945,023	986,241,718	5,344,442,405
Total Liabilities	19,700,189,176	15,527,144,075	27,820,388,745	18,431,517,552	10,582,679,510	92,061,919,058
Net Liquidity Gap	203,389,270	(204,213,055)	715,846,792	4,140,180,511	6,766,609,284	11,621,812,802

Net result of the Liquidity Statement represents the 'Shareholders' Equity' of the Bank.

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

National Credit and Commerce Bank Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2011

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	774,915,500	-	-	-	-	774,915,500
Balances with other banks and financial institutions	1,348,006,881	-	37,500,000	4,744,108,932	-	6,129,615,813
Money at call & short notice	-	-	-	-	-	-
Investments	659,953,706	-	2,204,238,161	7,801,037,169	10,175,059,244	20,840,288,280
Loans & Advances	16,917,745,297	14,432,556,123	25,960,999,461	9,250,396,016	6,171,843,812	72,733,540,709
Fixed assets including land, building, furniture & fixtures	-	-	105,065,203	420,602,806	981,102,748	1,506,770,757
Other Assets	186,787,653	516,530,216	225,942,699	344,426,107	251,881,605	1,525,568,280
Non-banking assets	-	-	-	-	-	-
Total Assets	19,887,409,037	14,949,086,339	28,533,745,524	22,560,571,030	17,579,887,409	103,510,699,339
Liabilities:						
Borrowing from Other Banks, Financial Institutions & agents	4,138,443,516	37,553,801	156,048,688	1,054,784,476	178,271,709	5,565,102,190
Deposits	13,499,804,608	14,662,388,555	25,740,622,752	16,025,788,053	9,418,166,083	79,346,770,051
Bills Payable	1,780,398,167	-	-	-	-	1,780,398,167
Provision & other liabilities	231,072,531	827,201,719	1,839,117,807	1,350,945,023	986,296,292	5,234,633,372
Total Liabilities	19,649,718,822	15,527,144,075	27,735,789,247	18,431,517,552	10,582,734,084	91,926,903,780
Net Liquidity Gap	237,690,215	(578,057,736)	797,956,277	4,129,053,478	6,997,153,325	11,583,795,559

Net result of the Liquidity Statement represents the 'Shareholders' Equity' of the Bank.

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEO

National Credit and Commerce Bank Limited & Its Subsidiaries

Notes to the Financial Statements

For the year ended 31 December 2011

1.1 Status of the Bank

The National Credit and Commerce Bank Limited (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 7-8, Motijheel Commercial Area, Dhaka-1000. Presently, the Bank has 87 branches, one SME Centre all over the Bangladesh and two booths located at Uttara Model Town and Maniknagar, Dhaka. The bank has no overseas branches as at December 31, 2011. 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 Exchanges Limited as a publicly traded company for its general class of shares.

The bank commenced its banking business with sixteen branches from May 17, 1993.

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 and SME Centre in Bangladesh.

1.1.2 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 April 04, 2010 with the Registrar of Joint 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 permits the company to carry out activities as per their guidelines. Financial Statements of the company are shown in **Annexure- O**

1.1.3 NCCB Capital Limited (NCCBCL)

NCCB Capital Limited (NCCBCL) is a Subsidiary Company of NCC Bank Limited incorporated as a Private Limited Company 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 act as a full fledged Merchant Banking activities like issue management, underwriting, advisory services as and when regulators permits the company to carry out activities as per their guidelines. NCCBCL yet to receive all regulatory permission, so its separate Financial Statements has not been drawn up as of 31st December, 2011.

1.1.4 NCCB Exchange (UK) Limited (NCCBEL)

NCCB Exchange (UK) Limited is fully owned Subsidiary Company, incorporated as a Private Limited company with the Registrar of Companies for England and Wales under registration no. 7669773 dated June 14, 2011. NCC Bank Limited got permission from Bangladesh Bank vide letter no. BRPD/(M)204/28/2011-123 dated June 13, 2011 for opening a fully owned subsidiary company with two branches at London and Birmingham in UK. NCCB Exchange (UK) Limited obtained Money Laundering registration on July 28, 2011 issued by HM Revenue & Customs. The Company got registration from Financial Services Authority (FSA) vide reference no PSD/557817 dated October 26, 2011 to carry on payment service activities under the Payment Services Regulations 2009 (PSRs). NCCB Exchange (UK) Limited has not gone in to operation till December 31, 2011. Separate Financial Statements of NCCB Exchange (UK) Limited has not been drawn up due to yet to start operation.

1.2 Significant accounting policies and basis of preparation of financial statements

1.2.1 Basis of Accounting

Statement of Compliance

The financial statements of the Group and the Bank are made up to December 31, 2011 and are prepared under the historical cost convention except the assets and liabilities which are stated at fair value, on a going concern basis and in accordance with the "First Schedule Section 38(4) of the Bank Companies Act, 1991, BRPD Circular # 14 dated 25 June, 2003, BRPD Circular # 15 dated 09 November, 2009, Other Bangladesh Bank Circulars, Bangladesh Accounting Standards and Bangladesh Financial Reporting Standards, The Companies Act, 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges listing regulations, Income Tax Ordinance 1984 and other laws and rules applicable in Bangladesh.

1.2.2 Basis of Consolidation

The Consolidated Financial Statements include the financial statements of NCC Bank Limited and its subsidiary company NCCB Securities and Financial Services Limited made up to the end of the December 31, 2011. The consolidated financial statements have been prepared in accordance with Bangladesh Accounting Standards 27-"Consolidated & Separate Financial Statements". The Consolidated Financial Statements are prepared to common financial year ending 31 December 2011.

Subsidiary

Subsidiary is that enterprise 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.

1.2.3 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 on going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

1.2.4 Functional and presentation currency

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

1.2.5 Foreign currency transaction

a) Foreign currencies 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 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) Commitments

Contingent liabilities / commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in Taka terms at the rates of exchange ruling 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.

1.2.6 Statement of Cash flow

Cash flow statement has been prepared in accordance with the Bangladesh Accounting Standard-7 "Cash Flow Statements" under direct method as recommended in the BRPD Circular No. 14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

1.2.7 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.

1.2.8 Reporting period

These financial statements cover for the period from January 01, 2011 to December 31, 2011.

1.2.9 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. (notes-14.3 & 14.3.1)

1.3 Assets and basis of their valuation

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 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.

1.3.2 Loans and advances

a) Loans and advances of conventional banking in branches 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 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- 9.10 (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) Provision for loans and advances are made on the bases of year-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. The classification rates are given below:

Particulars	Rate
General provisions on unclassified general loans and advances	1%
General provision on unclassified small enterprise financing	2%
General provision on unclassified loans for housing finance and on loans for professionals	2%
General provision on unclassified consumer financing other than housing finance and loans for professionals	5%
General provision on special mention account	5%
Specific provision on substandard loans and advances	20%
Specific provision on doubtful loans and advances	50%
Specific provision on bad / loss loans and advances	100%

a) Loans and advances with no realistic prospect of recovery have been written off against which full provisions made and legal cases initiated but pending. Detailed memorandum records for all such written off accounts are maintained without reducing the bank's claim.

1.3.3 Investments

All investment 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, 2011. The gain of revaluation from the held to maturity securities has been shown in the statement of changes in equity of December 31, 2011.

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.

Value of investments has been enumerated as follow:

Item	Applicable accounting Value
Government Treasury Bills-HTM	Amortized Value
Government Treasury Bills-HFT	Present Value
Government Treasury Bonds-HTM	Amortized Value
Government Treasury Bonds-HFT	Present Value
Prize bonds	At cost
Quoted shares	As per BRPD Circular no.14 dated June 25, 2001
Un-quoted shares	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

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 Bangladesh Accounting Standard-28. Accordingly Investment in subsidiary is stated in the Bank's Balance Sheet at cost, less impairment losses if any.

1.3.4 Property, plant and equipment

a) All Fixed assets except land and apartments are stated at historical cost and lands & Building/Apartments 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.

b) The bank recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. Expenditure incurred after the assets have been put into operation such as repairs and maintenance is normally charged of as revenue expenditure in the period in which it is incurred.

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

Category of fixed assets	Rate of Depreciation/Amortization
Land	Nil
Building/Apartment & Structure	2.50%
Furniture & fixture	10.00% to 20.00%
Office equipment & Machineries	20.00%
Software (straight line)	20.00%
Vehicles (straight line)	20.00%

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

e) 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.

1.3.5 Intangible Assets:

a) An intangible assets 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.

1.3.6 Other assets

a) 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 made thereon accordingly and for item not covered under the circular adequate provision have been made considering their recoverability.

b) Written off other assets

Other assets having no realistic prospect of recovery have been written off and full provisions have been kept against the debts. Notional balance against the written off investments have been kept to maintain the detailed memorandum records for written off account.

1.3.7 Securities purchased under re-sale agreement

Securities purchase 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.

1.3.8 Receivables

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

1.3.9 Inventories

Inventories measured at the lower of cost and net realizable value.

1.3.10 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.

1.3.11 Non-banking assets

There are no assets acquired in exchange for loan during the year of financial statements.

1.4 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 incase of inter-branch transaction as on the reporting date are not material.

1.5 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 in the period in which the shareholders right to receive the payment is established.

1.6 Share Capital

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

1.7 Statutory reserve

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

1.8 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 Buildings which is absolutely own by the Bank and the increased amount transferred to revaluation reserve. The tax effects on revaluation gain are measured and recognized in the financial statements as per BAS-12: "Income Taxes".

1.9 Minority interest in subsidiary

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 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. 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, minority interest is reported on the consolidated income statement as a share of profit belonging to minority shareholders.

1.10 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.

1.11 Borrowings from other Banks, Financial Institutions and agents

Borrowed fund include call money deposits, borrowings, re-finance borrowings and other term borrowings from banks. They are stated in the balance sheet at amounts payable. Interest paid/payable on these borrowings is charged to the income statements.

Disclosures on borrowings against REPO are shown in Annexure-J

1.12 Basis for valuation of liabilities and provisions

1.12.1 Provision for taxation

Provision for current income tax has been made @ 42.5% as prescribed in the Finance Act, 2011 on the accounting profit made by the Bank after considering some of the add backs to income and disallowances of expenditure as per income tax laws in compliance with BAS-12 "Income Taxes".

1.12.2 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, income and expenditure 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 notes-14.3.1

1.12.3 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 06 (six) 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.

b) Gratuity fund

The bank has operated funded gratuity fund which was approved by National Board of Revenue. The fund is operated by the 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.

1.12.4 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".

1.12.5 Provision for Off-balance sheet items

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

1.12.6 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-reconciled debit balance of nostro account over more than three months as on the reporting date in these financials. Since there is no un-reconciled entries which are outstanding more than three months then Bank's are not required to make provision.

1.13 Revenue recognition

1.13.1 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 advances is accounted for on a cash receipt basis.

1.13.2 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.

1.13.3 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

1.13.4 Dividend income on shares

Dividend income on shares is recognized during the period in which it is declared and ascertained.

1.14 Risk management

The risk of NCCBL is defined as the possibility of losses, financial or otherwise. The risk management of the bank covers core risk areas of banking viz, credit risk, liquidity risk, operational risk and reputation risk arising from money laundering incidences. 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:

1.14.1 Credit risk

It arises mainly from lending, trade finance, leasing and treasury business. This 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 new business opportunities etc. more over, 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 14.4 (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 Bank's and Regulatory policies. Loans are classified as per Bangladesh Bank's guidelines. Concentration of single borrower/large loan limit is shown in **Annexure-E**.

1.14.2 Liquidity risk

The objective of liquidity risk management is to ensure that all foreseeable funding commitments and deposit withdrawals can be met when due. To this end, the Bank is maintaining a diversified and stable funding base comprising of core retail and corporate deposits and institutional balances. Management of liquidity and funding is carried out by Treasury Department under approved policy guidelines. Treasury front office is supported by a very structured Mid office and Back office. Asset Liability Committee (ALCO) monitors the Liquidity management on a regular basis. A written contingency plan is in place to manage extreme situation.

1.14.3 Market risk

The exposure of market risk of the bank is restricted to foreign exchange risk, interest rate risk and equity risk.

Foreign exchange risk

Foreign exchange risk is defined as the potential change in earning due to change in market prices. The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the

customers against underlying L/C commitments and other remittance requirements. No foreign exchange dealing on Banks account was conducted during the year.

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 was within the stipulated limit prescribed by the Bangladesh Bank.

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.

1.14.4 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.

1.14.5 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.

1.15 Earnings per share

Basic earning per share

Basic earning per share has been calculated in accordance with BAS-33 "Earning 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 earning per share is required to be calculated for the period as there was no scope for dilution during the year under review.

1.16 Memorandum items

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

1.17 Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS):

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 as noted below:

Name of the BAS	BAS no	Status
Presentation of Financial Statements	1	Applied
Inventories	2	Applied
Cash Flow Statements	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Balance Sheet Date	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	Applied
Accounting and Reporting by Retirement Benefit Plans	26	Not applicable
Consolidated and Separate Financial Statements	27	Applied
Accounting for Investments in Associates	28	Applied
Financial Reporting of Interest in Joint Ventures	31	Not applicable
Financial Instruments: Presentation	32	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	Applied
Investment Property	40	Applied
Agriculture	41	Not applicable

Name of the BFRS	BFRS no.	Status
Share Based Payment	2	Not applicable
Business Combinations	3	Not applicable
Non-current Assets Held for Sale and Discontinued Operations	5	Not applicable
Financial Instruments: Disclosure	7	Applied
Operating Segments	8	Applied

1.18 Approval of the financial Statements

The financial statements were approved by the Board of Directors on 26 February 2012.

1.19 Regulatory and legal compliance

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

- a) The Bank Companies Act, 1991;
- b) The Companies Act, 1994.

- c) Rules and Regulations issued by Bangladesh Bank;
- d) The Securities and Exchange Rules 1987, The Securities and Exchange Ordinance 1969, The Securities and Exchange Commission Act, 1993, The Securities and Commission (Public Issue) Rules 2006;
- e) The Income Tax Ordinance, 1984;
- f) The VAT Act, 1991;
- g) Other Laws & Regulations as applicable.

1.20 Information and communication 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.

1.21 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 contingency plan. The primary objective of the ALCO is to monitor and avert significant volatility in Net Interest Income (NII), investment value and exchange earnings.

1.22 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 and Brokerage Business. Business segment report shown in **Annexure-N**

Geographical segments

The bank has only one reportable business segment and operation of the bank is within the geographical territory of Bangladesh. Hence Geographical segment reporting in accordance with BFRS-8 is not applicable.

1.23 Events after the balance sheet date

Events after the balance sheet date that provide additional information about the bank's position at the balance sheet date are reflected in the financial statements. Events after the balance sheet date are not

1.24 Assets pledge as security

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

1.25 Credit rating of the bank

As per the BRPD instruction circular no. 6 dated July 5, 2006, the bank has done its credit rating by the Credit Rating Agency of Bangladesh (CRAB). Last four years Credit Ratings are given below:

Year	Date of Rating	Long term	Short term
2010	23.06.2011	A ₁	ST-2
2009	24.06.2010	A ₁	ST-2
2008	29.06.2009	A ₂	ST-2
2007	09.06.2008	A ₂	ST-3

1.26 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.

1.27 Audit committee

The Audit committee of the Board of Directors of the Bank formed in accordance with Bangladesh Bank's BRPD circular Letter No. 12 dated 23 December 2002 with its members as under :

Sl. No.	Name	Status with the Bank	Status with the committee	Educational Qualifications
i)	Mr. Mahbubul Alam Tara	Director	Chairman	M.A. (Economics)
ii)	Mr. Abdus Salam	Director	Member	B.Sc. Engg.
iii)	Mr. Ainul Kabir	Director	Member	M.Sc.(Math)
iv)	Mr. Khairul Alam Chaklader	Director	Member	B.Com.
v)	Professor Shahid Uddin Ahmed	Director	Member	Ph.D.

During the period, the Audit committee of the Board conducted 07 (Seven) meetings in which among others, the following issues were discussed:

- The committee studied Bangladesh Bank's comprehensive inspection reports of branches as well as of Head Office accounts, reviewed compliance thereof and gave necessary instructions.
- The committee reviewed the audit and inspection reports of different branches as conducted by the Bank's internal Audit and Inspection Department from time to time and gave necessary instructions to the management.
- The Committee perused and noted Bangladesh Bank's policy Circulars/ Circular Letters and other listing regulations in force and gave necessary instructions.

2 Number of Employees

Number of Employees at December 31, 2011 was 1944; (2010:1865) 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.

3 General

Figures appearing in these Financial Statements have been rounded off to the nearest Taka.

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

	2011
	<u>Taka</u>
4 Cash in hand (Including Foreign Currencies)	
Local currency	770,601,632
Foreign Currencies	4,313,868
	<u>774,915,500</u>
4(a) Consolidated Cash in hand	
Cash in hand (Including Foreign Currencies)	
NCC Bank Limited (Note-4)	774,915,500
NCCB Securities and Financial Services Limited	-
	<u>774,915,500</u>
5 Balance with Bangladesh Bank and its agent bank(s)	
Local currency	4,723,517,331
Foreign currencies	655,868,883
	<u>5,379,386,214</u>
Sonali Bank Ltd. as agent of Bangladesh Bank (Local Currency)-note 5.1	287,736,367
	<u><u>5,667,122,581</u></u>

5.1 Sonali Bank Ltd. as agent of Bangladesh Bank (Local Currency)

Cox's Bazar Branch	12,513,157
Feni Branch	40,925,355
Laxmipur Branch	27,995,004
Moulvibazar	3,421,227
Jessore Branch	53,272,979
Chaumuhani Branch	10,420,773
Madaripur Branch	2,192,070
Chakaria Branch	6,038,798
Comilla Branch	15,732,336
Joydevpur Branch	1,836,958
Mymensingh Branch	23,482,761
Tangail Branch	33,332,657
Naogaon Branch	4,451,047
Kushtia Branch	9,249,731
Narayangonj Branch	12,274,393
Brahmanbaria Branch	3,817,296
Narsingdi Branch	3,056,753
Maijdee Branch	23,541,192
Dinajpur Branch	181,880
	<u>287,736,367</u>

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

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) have been calculated in accordance with the Section 33 of the Bank Companies Act 1991 and subsequent BCD May 24, 1992; BRPD Circular No. 12, dated September 20, 1999, BRPD Circular No. 22 2003, BRPD Circular No. 05 dated July 21, 2004 and DOS Circular no-06 March 23, 2001 & 12 dated 25 August 2005, MPD circular no. 116/2010-1712 & 04 dated Decem reserve requirement of the Bank's based time and demand liabilities @ of 6% has maintained with Bangladesh Bank in current account and 19% Statutory Liquidity ratio same liabilities has also been maintained in the form of treasury bills, treasury bills including FC balance with Bangladesh Bank. Both the reserves maintained by the Bank statutory requirements as shown below:

2011
Taka

5.3 Cash Reserve Requirement (CRR) 6% of average Demand and Time Liabilities

Required Reserve	4,462,300,000
Actual Reserve held	4,723,517,331
Surplus/ (deficit)	<u>261,217,331</u>

* Bank maintained Cash Reserve Requirement (CRR) @ 5.50% of average time and on December 29, 2011.

5.4 Statutory Liquidity Ratio (SLR) 19% of average Demand and Time Liabilities

Required Reserve (including CRR)	15,397,533,030
Actual Reserve held (including CRR)	26,368,271,700
Surplus/ (deficit)	<u>10,970,738,670</u>

Total required reserve	15,397,533,030
Total actual reserve held	26,368,271,700
Total Surplus/(deficit)	<u>10,970,738,670</u>

6 Balance with other Banks and Financial Institutions :

In Bangladesh (Note -6.01)	145,448,769
Outside Bangladesh (Note-6.2)	317,044,463
	<u>462,493,232</u>

6.1 In Bangladesh

Current Accounts with

Sonal Bank Ltd.	12,033,183
ICB Islamic Bank Ltd.	600,023
Janata Bank Ltd.	10,302,512
IFIC Bank Ltd.	2,000
Uttara Bank Ltd.	239,055
Islami Bank Bangladesh Ltd.	9,934,449
Pubali Bank Ltd.	278,385
Commercial Bank of Ceylon	1,077,500
United Commercial Bank Ltd.	210,818
National Bank Ltd.	-
The Trust Bank Ltd.	2,679,049
Standard Chartered Bank	6,627,581
Dutch Bangla Bank Ltd.	2,094,802
Agrani Bank Ltd.	9,711,065
Rupali Bank Ltd.	6,480,436
EXIM Bank Ltd.	2,500,000
Southeast Bank Ltd.	15,929
	64,786,787

Short-term Deposit Accounts with

Janata Bank Ltd.	38,626
Dutch Bangla Bank Limited	2,531,755
	2,570,381

Fixed Deposit Accounts with

ICB Islamic Bank Ltd.	20,591,601
National Bank of Pakistan	-
Lanka Bangla Finance Ltd.	20,000,000
BD Industrial Finance Co Ltd	37,500,000
International Leasing & Financial Services limited	-
	<u>78,091,601</u>

145,448,769

2011

Taka

6.2 Outside Bangladesh (NOSTRO Accounts)

Current Accounts (non-interest bearing) with:

Standard Chartered Bank, Singapore	-
Standard Chartered Bank, Japan	2,948,660
HSBC BANK N.Y	55,542,691
Bank of Tokyo Mitsubishi, Japan	674,488
Myanma Investment & Co, Myanmar	-
Bank of Tokyo Mitsubishi, Kolkata	8,125,000
American Express Bank, Colombo	25,328,187
BANCO ITAU	7,658,264
United Bank Ltd., Karachi	7,022,464
AXIS Bank Kolkata	9,496,592
Nepal Bangladesh Bank, Nepal	11,302,413
HSBC, Kolkata	15,443,881
Bank of Bhutan, Phuentsholing	1,607,634
Standard Chartered Bank, London	-
Habib Metropolitan Bank	14,986,034
Uni Credio Italiano Spa	33,329,798
Commerz Bank AG	2,582,702
UBAF, JAPAN	435,223
ICICI Bank, HKK	17,601,135
Nova Scotia Canada	8,078,587
Jpmorgan Chass Bank	4,306,136
Sonali Bank Ltd. Kolkata	2,680,438
Habib American Bank	162,500
WACHOVIA NA	5,831,935
	<u>235,144,762</u>

Current Accounts (interest bearing) with:

Standard Chartered Bank, New York	63,481,267
Standard Chartered Bank, London	18,418,434
Mashreq Bank ,New York	-
	<u>81,899,701</u>
	<u>317,044,463</u>

Annexure 'C' may kindly be seen for details

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

Payable on demand	381,831,250
Up to one month	22,570,381
Over one month but not more than three months	-
Over three months but not more than six months	37,500,000
Over six months but not more than one year	-
Over one year but not more than five years	20,591,601
Over five years	-
	<u>462,493,232</u>

6(a) Consolidated Balance with other Banks and Financial Institutions

In Bangladesh

NCC Bank Limited (Note-6.1)	145,448,769
NCCB Securities and Financial Services Limited	942,052
	<u>146,390,821</u>

Out side Bangladesh

NCC Bank Limited (Note-6.2)	317,044,463
NCCB Securities and Financial Services Limited	-

	317,044,463
	<u>463,435,284</u>
	2011
	<u>Taka</u>
7 Money at Call and short notice :	
Banking Company	-
Non-banking financial institutions	-
	<u>-</u>
8 Investments :	
Government Securities- Note 8(a)	19,926,233,619
Other Investments- Note 8(b)	914,054,661
	<u>20,840,288,280</u>
8 (i) Investment classified as per Bangladesh Bank Circular:	
Held for trading (HFT)	6,930,734,001
Held to maturity (HTM)	12,990,847,818
Other Securities	918,706,461
	<u>20,840,288,280</u>
8 (a) Government Securities:	
Treasury bills:	
91 days Treasury bills	238,751,756
182 days Treasury bills	-
364 days Treasury bills	1,903,493,649
	<u>2,142,245,405</u>
Treasury bonds:	
5 years Treasury bonds	5,320,573,809
10 years Treasury bonds	7,769,713,437
15 years Treasury bonds	2,958,825,206
20 years Treasury bonds	1,730,223,962
	17,779,336,414
Prize Bonds	4,651,800
	<u>19,926,233,619</u>
8 (b) Other investments:	
Zero Coupon Bonds	56,759,999
Subordinate Bond	140,000,000
Beximco Pharmaceuticals (Debenture)	60,570
Investment in shares (Note 8.3)	886,232,134
Less: Provision for diminution in the market value of shares (Note-8.1)	(168,998,042)
	<u>717,234,092</u>
	<u>914,054,661</u>
	<u>20,840,288,280</u>
8.1 Provision for Investment fluctuation in shares	
Opening Balance	15,353,807
Add: Provision made during the year	153,644,235
Less: amount Transferred to Profit & Loss A/c	-
Less: Adjusted during the year	-
Closing Balance	<u>168,998,042</u>
8.2 Maturity grouping of investments	
Demand	421,201,950
Up to one month	238,751,756
Over one month but not more than three months	-
Over three months but not more than six months	595,707,879
Over six months but not more than one year	1,608,530,282
Over one year but not more than five years	7,801,037,169

Over five years

10,175,059,244

20,840,288,280

2011

Taka

8.3 Investment in Share:

Quoted:

Agrani Insurance Ltd	10,604,575
Prime Textile Spinning Mills Ltd.	300,000
Olympic Industries Ltd.	511,650
Asia Insurance Ltd.	7,498,050
Al-Arafa Islami Bank Ltd.	40,575,700
Bata Shoe Co. (BD) Ltd.	3,008,892
BSRM Steel Ltd.	7,460,091
Eastern Cables Ltd.	277,852
DBH 1st Mutual Fund	-
National Bank Limited	14,088,108
Eastland Insurance Ltd	11,650
Green Delta Insurance Co.	7,820,580
Bangladesh Auto Cars Ltd.	223,932
Eagle Star Textile Mills Ltd.	4,227,951
Bank Asia Ltd	12,616,962
EXIM Bank Ltd	55,150
Bay Leasing & Investment	44,765,525
Premier Leasing Ltd.	15,681
Summit Power Ltd.	18,307,318
MBL 1st Mutual Fund	10,000,000
IDLC	12,154,908
SEBL 1st Mutual Fund	30,000,000
Green Delta Mutual Fund	17,677,365
Prime Bank Ltd.	11,223
Lanka Banqla Finance Ltd.	10,327,783
Uttara Bank Ltd.	8,120,373
AB Bank Ltd	6,067,093
ICB Islamic Bank Ltd.	5,490,645
DESCO Ltd.	22,495,953
Jamuna Bank Ltd.	19,670,799
Meghna Petroleum Ltd.	7,436,606
Power Grid Co. Ltd.	2,336,912
Pubali Bank Limited	31,232,515
Square Pharma	232,910
Standard Bank Ltd.	313,348
Fareast Life Insurance Ltd.	2,863,330
Islami Bank Bangladesh Ltd.	56,132
Navana CNG Ltd.	19,085,000
Grameenphone Ltd.	18,229,925
Summit Alliance Port Ltd.	8,540,660
Square Textiles Ltd	9,591,860
Titas Gas Transmission	24,317,179
Southeast Bank Ltd.	42,723,519
Khulna Power Co. Ltd.	2,914,670
Laferge Surma Cement	4,417,425
Ocean Containers Ltd.	2,904,845
RAK Ceramics Ltd.	3,046
Beximco Ltd.	6,685,800
Shahjalal Islami Bank Ltd.	10,080,819
Bangladesh General Insurance Co.	3,811,258
Makson Spinnings	6,981,750
MI(Crown) Cement Factory Ltd.	3,758,861
Mobil Jamuna Lubricant BD.Ltd.	6,360,450
Trust Bank 1st. Mutual Fund	1,765,000
UCBL	8,500,480
Agni System Ltd	71,200
Eastern Bank Ltd	4,288,760

Asia Pacific Insurance Ltd.
Peoples Leasing and Financial Services Ltd.

153,000
41,444,553
585,487,622

2011
Taka

Un- quoted:

CDBL
Dhaka Stock Exchange Ltd
Chittagong Stock Exchange Ltd.
Venture Investment Partner Bangladesh Ltd.
SWIFT
Dhaka Vegetable Oil Industries Ltd.
Summit Uttaranchal Power Company Limited
Summit Purbanchal Power Company Limited
NCCBL Mutual Fund-1
NLI 1st Mutual Fund
MSF Asset Management Co.
Dun & Bradstreet Rating Agency

3,138,890
-
-
18,000,000
991,199
7,448,523
14,000,000
21,000,000
200,000,000
30,000,000
2,000,000
4,165,900
300,744,512
886,232,134

8(c) Consolidated Investments

Government Securities

NCC Bank Limited- **Note-8 (a)**
NCCB Securities and Financial Services Limited

19,926,233,619
-
19,926,233,619

Other Investments

NCC Bank Limited-**Note-8 (b)**
NCCB Securities and Financial Services Limited

914,054,661
19,401,385
933,456,046
20,859,689,665

9 Loans and Advances

Loans, Cash Credits, Overdrafts etc. (**Note-9.1**)
Bills Purchased and Discounted (**Note-9.2**)

69,539,904,815
3,193,635,894
72,733,540,709

9.1 Loans, Cash Credits, Overdrafts etc.

Inside Bangladesh:

Overdraft
Cash credit
Loan - general
Transport loan
House building loan
Loan against trust receipt
Loan against Imported Merchandise
Loan against Investment
Loan against packing credit
Project loan
Demand loan
Lease Finance
Payment against document
Consumer Finance Scheme
Housing Loan under B.Bank Refinance Scheme
Loan Revolving
Staff Loan
Small Business Loan

14,094,894,409
11,603,598,718
6,565,907,408
490,632,848
1,521,139,770
14,745,565,978
129,603,373
10,460
168,750,454
163,988,956
1,009,075
1,249,713,133
1,502,514,654
1,033,623
37,842,695
532,648
584,968,784
824,550,234

House Renovation Loan	67,641,174
Personal Loan Scheme	12,212,350
Balance Carried forward	53,766,110,744

2011

Taka

Balance brought forward	53,766,110,744
Term Loan (Small, Medium & Large)	12,270,333,518
Time Loan	177,052,475
Agri Credit	254,685,814
Festival Loan	66,478,182
Special Housing Loan	1,035,003,684
Credit Card	252,286,263
Forced Loan	639,049,861
Short Term Loan	1,027,550,226
Retail Loan	28,881,956
NCCB- Garments wear & Foot wear Cluster	16,889,506
Education Loan Scheme	5,582,586

69,539,904,815

Outside Bangladesh:

-

69,539,904,815

9.2 Bills Purchased and Discounted

Inside Bangladesh:

Inland bills purchased	83,656
Local documentary bills purchased	2,905,502,522
	2,905,586,178

Outside Bangladesh:

Foreign bills purchased	-
Foreign documentary bills purchased	288,049,716
	288,049,716
	3,193,635,894
	72,733,540,709

9.3 Net Loans and Advances

Gross Loans and Advances	72,733,540,709
Less: Non-performing loans and advances	1,938,304,000
Interest suspense	321,360,238
	2,259,664,238
	70,473,876,471

9.4 Residual maturity grouping of loans and advances bills purchased and discounted

Repayable on demand	640,058,936
Up to one month	16,277,686,361
Over one month but not more than three months	14,432,556,123
Over three months but less than one year	25,960,999,461
Over one year but less than five years	9,250,396,016
Above five years	6,171,843,812
	72,733,540,709

9.5 Loans and advances including bills purchased and discounted classified into the following broad categories

In Bangladesh :

Loans	43,841,411,688
Cash credit	11,603,598,718
Overdraft	14,094,894,409
Bills Purchased & Discounted	2,905,586,178

Outside Bangladesh (Bills Purchased & Discounted)	72,445,490,993
	288,049,716
	<u>72,733,540,709</u>

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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	149,228,324
II) Advances to customers' group-wise clients	
a) Import Financing	7,205,845,927
b) Export financing	6,305,245,862
c) House Building Loan	2,661,627,323
d) Consumers credit scheme	291,198,568
e) Small and Medium Enterprise (SME)	10,101,830,128
f) Special program loan	130,156,853
g) Staff Loans	584,968,784
h) Others	2,405,874,828
	<u>29,686,748,273</u>
III) Industrial loans	
a) Agriculture	440,322,358
b) Industry	25,332,812,459
c) Construction	1,154,285,657
d) Transport and Communication	413,285,749
e) Storage	294,585,953
f) Business	14,815,268,492
g) Others	447,003,444
	<u>42,897,564,112</u>
	<u><u>72,733,540,709</u></u>

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	9
Amount of outstanding Advances	18,635,300,000
Amount of classified advances	-
Measures taken for recovery	-

Annexure 'E' may kindly be seen for details.

9.8 Loans and advances on the basis of geographical location wise:

Urban

Dhaka Division	46,097,187,560
Chittagong Division	19,481,228,936
Rajshahi Division	804,499,321
Rangpur Division	418,091,644
Sylhet Division	622,372,388
Khulna Division	1,901,202,596
Barisal Division	120,647,443
	<u>69,445,229,888</u>

Rural

Dhaka Division	943,428,237
Chittagong Division	1,403,744,564
Rajshahi Division	84,509,966
Rangpur Division	571,924,938
Sylhet Division	284,703,116
Khulna Division	-

Barisal Division

-
3,288,310,821
72,733,540,709
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9.9 Classification of Loans and advances

Unclassified Standard (including staff loans)	70,378,808,709
Unclassified Special Mention Account	416,428,000
Sub-standard	342,992,000
Doubtful	469,360,000
Bad/Loss	1,125,952,000
	72,733,540,709

9.10 Particulars of loans and advances

i) Loans considered good in respect of which the bank is fully secured.	46,934,971,891
ii) Loans considered good for which the bank holds no other security than the debtor's personal security.	14,101,663,954
iii) Loans considered good and secured by the personal security of one or more parties in addition to the personal security of	11,696,904,864
iv) Loans considered doubtful or bad not provided for.	-
	72,733,540,709
* v) Debts due by directors or officers of the bank or any of them either severally or jointly with any other persons.	584,968,784
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.	149,228,324
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.	584,968,784
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.	149,228,324
ix) Due from banking companies	-
x) Classified loans for which interest/profit not credited to income	1,938,304,000
a) Increase/(decrease) of provision (specific) during the year	37,203,000
* Amount represents loans to employees of the Bank only.	
b) Amount of provision kept against the amount classified as bad/loss at the Balance Sheet preparing date.	594,942,000
c) Amount of interest charged in interest suspense account	321,360,238
xi) Cumulative amount of written off debt	
Opening balance as on 1 January	2,085,206,013
Add: Amount of debt written off during the year	204,731,089
Closing balance as on 31 December	2,289,937,102

xii) Amount of written off debt in 2011 against which law suit has been filed for its recovery during the year

174,220,707

9.11 Outstanding Bad & Loss Loans to be Written off

Bangladesh Bank issued a circular no.02 dated 13 January 2003 instructing all the bar write off bad & loss loans which have passed five years after its classification and leg: taken against all those default borrowers with an immediate effect. In compliance v Bank formed a Debt Collection Unit in its Head Office from where monitoring has bee During the year, the Bank allowed write off amounting to Tk.17,42,20,707/- against have not been lying with the money suit court. In this connection, branches hav separate ledger for all individual cases. The debt collection unit will follow-up the reali in future also and time to time a progress report to be given to the management by the

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9.12 Bills purchased and discounted:

a) Payable:

In Bangladesh

2,905,586,178

Outside Bangladesh

288,049,716

3,193,635,894

b) Bills purchased & discounted on the basis of the residual maturity grouping:

Payable:

Within one month

501,204,436

Over one month but less than three months

2,072,549,698

Over three months but less than six months

619,881,760

Over six months

-

3,193,635,894

9(i) Consolidated Loans and Advances

Loans, Cash Credits, Overdrafts etc. **(Note-9.1)**

NCC Bank Limited

69,539,904,815

NCCB Securities and Financial Services Limited.

3,346,643,229

72,886,548,044

Less : Loan to NCCB Securities and Financial Services Limited.

2,972,798,548

69,913,749,496

Bills Purchased and Discounted **(Note-9.2)**

NCC Bank Limited

3,193,635,894

Less : Loan to NCCB Securities and Financial Services Limited.

-

3,193,635,894

73,107,385,390

10 Fixed assets including premises, furniture and fixtures

Cost/valuation

Land

374,789,577

Structure

628,780,689

Furniture and fixtures

312,364,969

Machinery and Equipment

524,084,095

Vehicles

85,199,533

Total Cost / Valuation

1,925,218,863

Less: Accumulated depreciation

418,448,106

Net book value at the end of the year

1,506,770,757

Annexure 'B' may kindly be seen for details.

10(a) Consolidated Fixed Assets including premises, furniture and fixture

Ncc Bank Limited (**Note-10**)
 NCCB Securities and Financial Services Limited

1,506,770,757
13,617,046
<u>1,520,387,803</u>

Annexure 'A' may kindly be seen for details.

	2011
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11 Other Assets	
Stationery in hand	19,958,367
Stamps and stamped forms in hand	1,447,447
Security deposits	1,881,605
Advance against rent	104,132,865
Suspense account (Note 11.1)	20,065,577
Commission receivable	3,010,000
Dividend receivable	-
Interest receivable (Note 11.2)	445,469,717
Software	38,167,769
Others (Note 11.3)	396,790,920
Discount receivable	10,805,860
Prepaid Expenses	300,000
ATM Adjustment	162,217
Visa Local & International	1,874,556
Building Construction	231,351,021
Investment in Subsidiary	250,000,000
Receivable against sale proceeds of Shares	150,359
	<u>1,525,568,280</u>
11.1 Suspense Account	
Encashment Shanchaypatra awaiting realisation	11,841,357
DD cancelled	2,600
Cash Remittance	2,126,000
DD paid without advice	6,095,620
Clearing adjustment	-
	<u>20,065,577</u>
11.2 Interest receivable :	
On Treasury Bills/Bonds/Others	444,365,319
On bank balances/Financial Institutions	1,104,398
	<u>445,469,717</u>
11.3 Others	
Advance against TA/DA	238,500
Legal expenses	586,178
Waiver of interest	-
Money Gram	13,108,374
Proposed Branches expenses	648,100
Prefunding to TMSS	13,943,235
Zenj Exchange	103,836
T.C. Buying	-
UAE Exchange	2,366,253
Sundry debtors	340,304,241
Dhaka Janata Express	62,316
Protested bill	2,245,789
Prefunding to Foreign Remittance	1,756,280
Xpress Money	3,022,623
Al-Fardan Exchange Co.L.L.C	6,258,184
Habib Quarter	823,667
Placid Express	6,956,567
Arab National Bank (KSA)	-
Kushiara Financial Services Ltd.	410,000
Wall Street	-
First Solution U.K.	300
Kay Maks International	1,940,530
Majan Exchange	-
IME (M) SDN.BHD.	964,175
Three Star	10,094
Federal Exchange	21,000

Repo Adjustment account	127,812
Advance for booking money agt.DSE Tower	850,000
Advance for Purchase of Bank Property	-
Others	42,866
	<u>396,790,920</u>

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11(a) Consolidated other Assets

NCC Bank Limited (Note-11)	1,525,568,280
Less : Investment in NCCB Securities and Financial Services Limited	(249,999,900)
	<u>1,275,568,380</u>
NCCB Securities and Financial Services Limited	15,227,257
	<u>1,290,795,637</u>

12 Borrowing from other Banks, Financial Institutions and agents

In Bangladesh

Bangladesh Bank	1,406,658,674
SME Foundation	20,000,000
City Bank N.A.	30,000,000
Janata Bank Ltd	1,000,000,000
State Bank of India	140,000,000
Sonali Bank Ltd.	1,800,000,000
United Commercial Bank Ltd.	500,000,000
Commercial Bank of Ceylon	160,000,000
National Bank Ltd.	250,000,000
BRAC Bank Ltd.	57,926,428
The Trust Bank Ltd	-
	<u>5,364,585,102</u>

Outside Bangladesh:

ICICI Bank, Kolkata	24,371,486
Standard Chartered Bank, London	11,106,471
Mashreq Bank Kolkata	41,079,906
Standard Chartered Bank, Kolkata	15,256,969
WACHOVIA NA	-
Citi Bank N.A.	74,324,118
Standard Chartered Bank, Singapore	298,761
Mashreq Bank New York	34,079,377
	<u>200,517,088</u>
	<u>5,565,102,190</u>

Annexure 'D' may kindly be seen for details.

12.01 Security against borrowings from other banks, financial institutions and agents

Secured	5,356,658,674
Unsecured	208,443,516
	<u>5,565,102,190</u>

12.02 Borrowings from other banks, financial institutions and agents (according to remaining maturity grouping) Payable :

On demand	4,138,443,516
-----------	---------------

In not more than three months	37,553,801
In more than three months but not more than one year	156,048,688
In more than one year but not more than five years	1,054,784,476
Above five Years	178,271,709
	<u>5,565,102,190</u>

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13 Deposits and other Accounts

Current deposits and other accounts

Current deposits

Sundry deposits (**Note 13.4**)

4,908,949,540

2,765,249,011

7,674,198,551

Saving deposits

8,198,956,190

Fixed deposits

45,892,585,307

Term deposits

Special Notice deposits

4,521,337,790

Special Savings Scheme

7,389,152,386

Special Deposit Scheme

1,665,142,898

Premium Term Deposits

123,695,136

Instant Earning Term Deposits

5,400,000

Money Double Program

3,876,301,793

17,581,030,003

13.1 Bills Payable:

Payment Order (issued)

1,598,400,813

Pay Slip

2,988

Demand Draft

181,994,366

1,780,398,167

81,127,168,218

13.2 (a) Demand deposits

From other banks

-

Other than banks

10,192,502,775

10,192,502,775

13.2 (b) Other deposits:

From other banks

In Fixed Deposits Accounts:

Sonali Bank Limited

-

Bangladesh Development Bank Limited

110,000,000

110,000,000

Other than banks

69,416,976,607

79,719,479,382

13.3(a) Residual maturity grouping of Deposits:

From other Banks

Payable:

On demand

-

Within one month

-

In more than one month but less than six months

110,000,000

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

-

110,000,000

13.3(b) From other than Banks

Payable:

On demand

10,192,502,775

Within one month

5,087,700,000

In more than one month but less than three months	14,552,388,555
In more than three months but less than one year	25,740,622,752
In more than one year but within five years	16,025,788,053
In more than five years but within ten years	9,418,166,083
	<u>81,017,168,218</u>
	<u>81,127,168,218</u>

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13.4 Sundry Deposits

Sundry Creditors	126,509,989
Clearing adjustment	5,818,116
Margin on letters of guarantee	433,130,254
Margin on letters of credit	971,912,381
Security deposits against locker	23,502,051
Foreign correspondents charge	320,133
Credit balance in CC, SOD, Loan etc.	137,580,276
Collection Account	22,740,842
Sanchaypatras	3,106,364
Money Gram	67,125,772
LDBP, Export bill/ proceeds	570,122,076
Security deposit Receipts	33,627,951
U.A.E. Exchange	1,029,798
Placid Express	10,230,805
FC, FCY Retention Quota	180,005,146
Cash Risk Allowance/Fund	44,456,120
Majan Exchange	6,656,853
Three Star Remittance	439,369
Federal Exchange	2,239,075
Advance Rent on Lease Finance	23,788,423
First Solution money transfer	2,316,607
Al-Fardan exchange Co.L.L.C.	5,087,713
Habib Qatar	964,858
K.M. Financial Services London	11,422,001
Arab National Bank (KSA)	48,991,562
Wall Street Exchange	5,005,617
Dhaka Janata Express	1,079,709
Visa Credit Card & others	546,257
Foreign Remittance	4,977,000
Retained Comm.from Remittance	1,502,318
Provident Fund	703,587
Credit Card Deposit A/c.	2,279,982
Altnative Cash Assistance	155,775
Zenj Exchange	3,036,803
Itau Unibanco.S.A	81,941
National Exchange Co.	1,727,245
IME(M) SDN.BHD	3,446,367
Al Zaman Exchange	832,884
Transmit International Inc. USA	3,132,392
Al Mulla International Exchange	2,444,585
Kushiara Financial Services Ltd.-London	203,509

Others	960,315
Unclaimed Block Account balances for 10 years & above	8,190
	<u>2,765,249,011</u>

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13 (C) Consolidated Deposits and other Accounts

Current deposits and other accounts

NCC Bank Limited (Note-13)	7,674,198,551
NCCB Securities and Financial Services	25,206,245
	<u>7,699,404,796</u>

Bills Payable

NCC Bank Limited (Note-13.1)	1,780,398,167
NCCB Securities and Financial Services	-
	<u>1,780,398,167</u>

Savings Bank Deposits

NCC Bank Limited (Note-13)	8,198,956,190
NCCB Securities and Financial Services	-
	<u>8,198,956,190</u>

Fixed Deposits

NCC Bank Limited (Note-13)	45,892,585,307
NCCB Securities and Financial Services	-
	<u>45,892,585,307</u>

Term Deposits

NCC Bank Limited (Note-13)	17,581,030,003
NCCB Securities and Financial Services	-
	<u>17,581,030,003</u>
	<u>81,152,374,463</u>

14 Other Liabilities

Outstanding interest	1,655,585,207
Excise duty on loans	17,703,166
Excise duty on deposits	48,394,457
Special reserve of garments accounts	14,274,705
Provisional for Expenses	3,416,456
Audit fee payable	150,000
Income tax deducted at source on interest of deposits	20,527,597
Advance tax deducted at source on suppliers bills	2,157,888
Staff Income tax deducted at source on salary and allowances	24,600
Inter Branch Transaction Account	199,564,244
Stamp	565
Deduction of VAT on LC commission and Service Charges	18,361,881
Provision for loans and advances (Note 14.4)	1,575,158,000
Provision on Off balance sheet items (Note-14.5)	201,374,000
Interest Suspense Account (Note 14.7)	321,360,238
Provision for Other Assets (Note 14.2)	8,077,046
Provision for Income tax (Note 14.3)	892,913,198
Deferred tax liabilities (Note 14.3.1)	74,583,488
Reserve for Unforeseen loss	10,986,098
Contribution to NCC Bank Foundation (Note-14.8)	36,668,152
Provision for Gratuity (Note-14.9)	28,352,386
Provision for incentive Bonus	105,000,000
	<u>5,234,633,372</u>

14(a) Consolidated Other Liabilities

NCC Bank Limited (Note-14)	5,234,633,372
NCCB Securities and Financial Services Limited	109,809,033
	<u>5,344,442,405</u>

14.1 Movement in Exchange Equalization Account

Opening Balance	-
Adjusted during the year	-
Closing balance	-
	<u>2011</u>
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14.2 Provision for other Assets:

Opening Balance	13,872,632
Add: Provisions made during the year	-
Less: Provisions no longer required	(5,795,586)
Closing balance	<u>8,077,046</u>

14.3 Provision for Income Tax:

Opening Balance	1,157,075,620
Add: provision made for current tax	1,408,705,443
Provision for prior years tax	15,118,002
	<u>1,423,823,445</u>
	2,580,899,065
Less: Adjusted during the year	<u>1,057,128,856</u>
Closing Balance	1,523,770,209
Less: Advance income tax paid and deducted at source	
Advance tax at source on treasury bills/ bonds	112,009
Advance tax at source on bank interest & dividend	39,236,182
Advance income tax deposited by Bank	581,781,293
5% Advance income tax paid on L/C commission	9,727,527
	<u>630,857,011</u>
Net balance at 31 December	<u>892,913,198</u>

14.3(i) Consolidated Provision for Income Tax:

Opening Balance	1,157,075,620
Add : Provision made for Ncc Bank Limited	1,423,823,445
Add : Provision made for NCCB Securities and Financial Services Limited.	84,544,924
	<u>1,508,368,369</u>
Less: Adjusted during the year	<u>1,057,128,856</u>
	1,608,315,133
Less: Advance income tax paid and deducted at source	
NCC Bank Limited	630,857,011
NCCB Securities and Financial Services Limited	31,142,098
	<u>661,999,109</u>
	<u>946,316,024</u>

14.3.1 Deferred tax

14.3.1(a) Deferred Tax Liabilities

Particulars of assets/Liabilities	As per Carrying Value	As per Tax Base
Revaluation portion of Land	242,966,265	-
Building/Apartments	493,263,164	244,186,133
Machinery & Equipment	243,759,467	140,005,008
Furniture & Fixture	172,546,048	170,942,448
Accrued interest on Govt. Securities	442,314,977	-
Total	1,594,849,921	555,133,589
Applicable tax rates		
		Deferred Tax Liabilities
		2011
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Deferred Tax Liabilities

Opening Balance	30,771,267
Add: provision for revaluation reserve on Lands	36,444,940
	<u>67,216,207</u>
Addition during the year (A)	307,847,511
	<u>375,063,718</u>
Adjustment made during the year	-
Closing balance	<u><u>375,063,718</u></u>

14.3.(b) Deferred Tax Assets

Particulars of assets/Liabilities	As per Carrying Value	As per Tax Base
Vehicles	30,543,060	37,613,366
Provision for Incentive Bonus	105,000,000	-
Specific Provision for Loans and Advances (Bad and Loss Loans and advances)	594,942,000	-
Total	730,485,060	37,613,366
Applicable Tax Rate		
Deferred Tax Assets		

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Deferred tax Assets

Opening Balance	-
Addition during the year (B)	300,480,230
	<u>300,480,230</u>
Adjustment made during the year	-
Closing Balance	<u><u>300,480,230</u></u>
Net Deferred Tax (Assets)/Liabilities	<u><u>74,583,488</u></u>
Net Deferred tax (Income)/ Expense charged to P/L (A-B)	<u><u>7,367,281</u></u>

14.4 Provision for Loans and Advances**a) Movement in specific provision on classified loans and advances**

Opening balance	742,802,000
Fully provided debt written off	(178,215,228)
Add: Recoveries of amounts previously written off	29,957,821
Net charged to Profit and Loss Account	185,460,407
Provision held at the end of the year	<u>780,005,000</u>

b) Movement in general provision on unclassified loans and advances

Opening balance	740,313,000
Add: Provision made for the year/net charge in profit and loss account	54,840,000
	<u>795,153,000</u>
Total (a) + (b)	<u><u>1,575,158,000</u></u>

14.5 Provision on off-balance sheet items

Opening balance	174,925,506
Add: Provision made during the year	26,448,494
	<u>201,374,000</u>

14.6 Provision for NOSTRO Accounts

Opening balance	-
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15.4 % of Shareholdings as on 31 December 2011

Particulars	No of share	% of holdings	
Local sponsors	163,137,338	27.45	1,631,373,380
Financial Institutions	76,870,458	12.94	768,704,580
Foreign Investors	1,823,564	0.31	18,235,640
Public issues	352,334,075	59.30	3,523,340,750
	<u>594,165,435</u>	<u>100.00</u>	<u>5,941,654,350</u>

15.5 Range wise Shareholdings as on 31 December 2011

Range of holding of Shares	No. of share holders	% of shares holding
Less than 5,000	86214	15.99
5,001 to 10,000	4062	4.76
10,001 to 20,000	1582	3.70
20,001 to 30,000	433	1.80
30,001 to 40,000	169	0.99
40,001 to 50,000	117	0.90
50,001 to 100,000	243	2.92
100,001 to 200,000	126	3.02
200,001 to 300,000	52	2.14
300,001 to 400,000	24	1.41
400,001 to 500,000	9	0.63
500,001 to 1,000,000	47	5.50
1,000,001 to 10,000,000	89	43.46
10,000,001 to 100,000,000	6	12.78
Total	93173	100.00

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15.6 Capital Adequacy Ratio (CAR) (Solo Basis)

i) Core Capital (Tier- i)

Paid-up Capital	5,941,654,350
Statutory Reserve	3,269,492,825
General Reserve	10,162,348
Surplus in Profit & Loss Account	1,858,032,958
	11,079,342,481

Less: i) Investment in Subsidiary Company which was not consolidated (50%)

ii) Income raised from deferred Tax Assets on specific provision on Bad & Loss Loans and Advances

as per BRPD Circular no.11, Dated December 12, 2011

	125,000,000
	252,850,350
	<u>377,850,350</u>

10,701,492,131

ii) Supplementary Capital (Tier- ii)

General provision on Unclassified Loan	795,153,000
General Provision for Off-balance sheet Exposures	201,374,000
Revaluation Reserve on Govt. Securities 50% of Total Assets	129,143,946
Revaluation Reserve 50% of Total Assets	123,082,594
	1,248,753,539

Less: Investment in Subsidiary Company which was not consolidated (50%)

	125,000,000
	1,123,753,539

11,825,245,670

A) Total Capital (Tier-i+Tier-ii)

Total assets including Off-Balance sheet items

123,648,066,696

B) Total Risk Weighted Assets

104,975,900,000

Details computation of RWA shown in Annexure-M

C) Required Capital (10% of Total Risk Weighted Assets)

10,497,590,000

**D) Surplus (A-C)
Capital Adequacy Ratio**

1,327,655,670
11.26%

Capital Adequacy Ratio :

Capital requirement	2011		2010
	Required	Held	Required
Tier-I	5.00%	10.19%	4.50%
Tier-II	5.00%	1.07%	4.50%
Total	10.00%	11.26%	9.00%

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15.7 Capital Adequacy Ratio (Consolidated Basis)

i) Core capital (Tier- i)

Paid-up Capital	5,941,654,350
Minority Interest	115
Statutory Reserve	3,269,492,825
General Reserve	10,162,348
Surplus in Profit & Loss Account	1,896,050,086
	11,117,359,724
Less: i) Investment in Subsidiary Company which was not consolidated	125,000,000
ii) Income raised from deferred Tax Assets on specific provision on Bad & Loss Loans and Advances as per BRPD Circular no.11, Dated December 12, 2011	252,850,350
	377,850,350
	10,739,509,374

ii) Supplementary capital (Tier- ii)

General provision on Unclassified Loan	795,153,000
General Provision for Off-balance sheet Exposures	201,374,000
Revaluation Reserve on Govt. Securities	129,143,946
Assets Revaluation Reserve	123,082,593
	1,248,753,539
Less: Investment in Subsidiary Company which was not consolidated	125,000,000
	1,123,753,539
A) Total Capital (Tier-i+Tier-ii)	11,863,262,912

Total assets including Off-Balance sheet items	123,821,099,217
B) Total Risk Weighted Assets	105,213,900,000
C) Required Capital (10% of Risk Weighted Assets)	10,521,390,000
D) Surplus/(deficit) (A-C)	1,341,872,912

Capital Adequacy Ratio :

Capital requirement	2011		2010
	Required	Held	Required
Tier-I	5.00%	10.21%	4.50%
Tier-II	5.00%	1.07%	4.50%

Total	10.00%	11.28%	9.00%
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15.8 Minority Interest

Share Capital	100
Profit attributable during the year	75
Interim dividend paid	(60)
	<u>115</u>

15.9 Name of the Directors and their shareholdings.

Sl.	Name of Directors	Status with Bank	Position as on 31.12.2011
1	Alhaj Md. Nurun Newaz	Chairman	9,316,638
2	Mr. Md. Mostafizur Rahman	Vice-Chairman	2,915,364
3	Mr. A.S.M Main Uddin Monem	Director	6,835,738
4	Mr. Nurul Islam	Director	5,842,958
5	Mr. Md. Abdul Awal	Director	11,747,010
6	Mr. Amjadul Ferdous Chowdhury	Director	4,929,130
7	Mr. S.M. Abu Mohsin	Director	4,059,711
8	Late Mrs. Masuda Begum	Director	-
9	Mrs. Lutfun Nahar Begum	Director	6,308,846
10	Mr. Abdus Salam	Director	12,484,322
11	Mr. Mahbubul Alam Tara	Director	1,637,750
12	Mrs. Sohela Hossain	Director	9,193,549
13	Mr. Ainul Kabir	Director	1,091,587
14	Mr. Khondkar Zakaria Mahmud	Director	3,114,909
15	Mr. Md. Shahjahan	Director	-
16	Mrs. Sultana Yasmen	Director	2,129,418
17	Mr. Yakub Ali	Director	3,547,678
18	Mr Mohammad Ali	Director	-
19	Mr. Ali Imam	Director	529,860
20	Mr. Tofazzal Hossain	Director	5,628,594
21	Mr. Fakhrul Anwar	Director	5,172,486
22	Mr. Md. Humayun Kabir	Director	1,703,988
23	Mr. Din M. Rana	Director	11,677,605
24	Mr. Md. Abul Bashar	Director	8,519,925
25	Mr. Md. Harunur Rashid	Director	13,196,444
26	Mr. Khairul Alam Chaklader	Director	14,835,018
27	Mr. Md. Moinuddin	Director	15,477,913
			<u>161,896,441</u>

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16 Statutory Reserve

Opening Balance on 1 January	2,543,463,417
Addition during the year (20% of pre-tax profit)	726,029,408
Closing Balance at 31 December	<u>3,269,492,825</u>

17 General Reserve

Opening Balance on 1 January	7,162,348
Addition during the year	3,000,000
Less : Adjusted during the year	-
Closing Balance at 31 December	<u>10,162,348</u>

18 Other Reserve

18.1 Capital Reserve - Assets revaluation reserve	282,610,127
--	-------------

Less: provision for deferred tax	36,444,940
	<u>246,165,187</u>
18.2 Revaluation reserve on Govt. securities (Treasury Bills & Bonds)-HTM	
Opening balance	230,558,030
Add: addition during the year	39,545,134
Held to Maturity (HTM)	39,531,361
Held for trading (HFT)	13,773
Less: adjusted during the year	(11,815,273)
Held for trading (HFT)	(11,815,273)
Closing balance	<u>258,287,891</u>
	<u>504,453,078</u>

**2011
Taka**

19 Surplus in profit and Loss Account

Retained earnings brought forward from previous year (Note-19.1)	388,106,051
Profit for the year	2,198,956,315
Transfer to Statutory Reserve	(726,029,408)
Transferred to General Reserve	(3,000,000)
Transferred from General Reserve	-
	<u>1,858,032,958</u>

19(a) Consolidated Surplus in profit and Loss Account

NCC Bank Limited	1,858,032,958
NCCB Securities and Financial Services Limited	38,017,144
	<u>1,896,050,102</u>
Less: Minority Interest	(15)
	<u>1,896,050,086</u>

19.1 Retained earnings

Opening balance	1,828,507,101
Bonus Share Transferred to Paid-up Capital	(1,440,401,050)
Closing Balance	<u>388,106,051</u>

20 Contingent Liabilities :

20.1 Acceptances and Endorsement

8,722,823,370

20.2 Letter of Guarantee

Money for which the Bank is contingently liable in respect of guarantees issued	
Directors	5,991,000
Government	1,576,862,654
Banks and other financial institutions	37,022,433
Others	3,842,288,193
Total	<u>5,462,164,280</u>
Less: Margin - Note 13.4	433,130,254
	<u>5,029,034,026</u>

20.3 Letter of Credit issued

Documentary Credit and short-term trade-related transactions	7,162,154,409
Forward Assets purchased and forward deposits placed	-

Undrawn formal standby facilities, credit	
Spot and forward foreign exchange rate contract	-
Other exchange contract	-
Total	7,162,154,409
Less: Margin - Note 13.4	971,912,381
	<u>6,190,242,028</u>

20.4 Bills for Collection

62,033,933

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21 Income Statement

Income:

Interest, discount and similar Income (Note-21.1)	12,427,390,213
Dividend Income (Note-21.2)	158,295,216
Fee, commission and Brokerage (Note-21.3)	675,046,337
Gains less losses arising from dealing in securities	-
Gains less losses arising from investment securities	-
Gains less losses arising from dealing in foreign currencies	384,691,503
Income from non-banking assets	-
Other Operating income (Note-26)	277,626,890
Profit less losses on interest rate changes	-
	<u>13,923,050,159</u>

Expenses

Interest, fee and commission (Note-23)	8,007,521,018
Losses on loans and advances	-
Administrative expenses (Note-21.4)	1,301,083,008
Other operating expenses (Note-36)	295,815,140
Depreciation on banking assets (Note-35)	103,865,864
	<u>9,708,285,030</u>
	<u>4,214,765,129</u>

21.1 Interest, discount and similar Income

Interest income on Loans and Advances	9,591,431,233
Interest on balances with other banks and financial institutions	77,907,657
Interest on Treasury bills	277,573,346
Interest on REPO	-
Gain on sale of Shares	30,960,152
Capital gain on sale of Treasury Bonds	106,534,357
Interest on Treasury Bond (HTM)	723,544,275
Interest on Treasury Bond (HFT)	1,596,436,815
Discount on Zero Coupon Bonds	6,790,663
Discount on Treasury Bills/ Bonds	-
Others	16,211,715
	<u>12,427,390,213</u>

21.2 Dividend Income

Dividend on shares	8,295,276
Dividend from NCCB Securities and Financial Services Ltd.	149,999,940
	<u>158,295,216</u>

21.3 Fee, commission and Brokerage

Commission	550,125,217
Brokerage	124,921,120
	<u>675,046,337</u>

21.4 Administrative expenses

Salary and allowances (Note-27)	867,813,089
Rent,taxes, insurance, electricity etc. (Note-28)	158,644,635
Legal Expenses (Note-29)	5,341,160
Postage, stamp and telecommunication (Note-30)	25,948,342
Stationery, printing, advertisement etc. (Note-31)	84,768,275
Managing Director's Salary & allowances (Note-32)	8,638,500
Director's Fees (Note-33)	2,045,000
Audit Fees (Note-34)	150,000
Repairs & Maintenance of Bank's assets (Note-35)	147,734,007
	<u>1,301,083,008</u>

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22 Interest Income

Interest on Loans and Advances

Loan (General)	844,961,478
Loan against House Building	235,965,717
Loan against Imported Merchandise	16,503,497
Loan against Trust Receipts	2,078,615,896
Loan against Packing Credit	23,636,696
Loan Revolving	52,321
SOD against Financial Obligation	882,594,630
SOD against Real Estate	2,087,629
SOD against Import permit	4,603,735
SOD General	874,828,174
SOD Export	59,397,892
C.C. against pledge	17,535,574
C.C. against hypothecation	1,481,073,539
C.C. against Export	39,833
Forced Loan	117,821,626
Inland bill purchased	2,518,357
FDBP & Discounted	30,149,316
Payment against documents	368,471,774
Local documentary bills purchased	460,759,365
Transport loan	48,529,147
Project loan	24,933,834
Demand loan	202,570
Lease Finance	176,942,525
Small Business Loan	117,614,153
House Renovation Loan	13,163,647
Personal Loans	2,324,562
Consumers Finance Scheme	116,189
Home improvement Loan	2,572,101
Loan against Investment	1,315,601
Agri Credit	30,341,399
Festival Small Business Loan	9,166,396
Festival personal Loan	-
Term Loan (Small,Med/Large)	1,297,567,430
Special Housing Loan	153,063,248
Housing Loan under Refinance Scheme	3,561,713
Staff P.F Loan	13,187,287
Staff House Building Loan	16,896,989
Staff Car Loan	1,360,143
Credit Card	37,945,223
Car Loan Scheme	16,561,618
Short Term Loan (STL)	120,854,879
Garments & Foot wear cluster	772,185

Time Loan	250,470
Education Loan Scheme	570,875
	<u>9,591,431,233</u>

Interest on balances with other banks and financial institutions

Fixed Deposits	47,340,188
Short term Deposits	136,786
Nostro Accounts	8,830,150
Money at call & short notice	11,525,903
Financial Institutions	8,786,666
Discount on Bills Purchased	1,287,964
	<u>77,907,657</u>
	<u>9,669,338,890</u>

2011

Taka

22(a) Consolidated Interest Income

NCC Bank Limited (Note-22)	9,669,338,890
Less : Interest Income paid to NCC Bank Ltd	(301,654,496)
NCCB Securities and Financial Services Limited	444,804,951
	<u>9,812,489,345</u>

23 Interest paid on deposits and borrowings

Savings deposits	307,074,101
Short term deposits	248,683,992
Fixed deposits	4,799,415,000
Bearer certificate of deposits	-
Special savings scheme	627,389,051
Special deposit scheme	161,463,537
Discount	1,488,374
Borrowings from banks, financial institutions, etc.	195,934,324
REPO agreement with Bangladesh Bank	585,561,685
Wage Earners Welfare DPS	9,723,404
Treasury Bond	722,640,951
Premium Term deposits	12,607,344
Instant Earning Term deposits	293,601
Money Double Program	335,245,654
Penal Interest	-
	<u>8,007,521,018</u>

23(a) Consolidated Interest paid on Deposits, Borrowings, etc.

NCC Bank Limited (Note-23)	8,007,521,018
Less : Interest Expenses	(301,654,496)
NCCB Securities and Financial Services Limited	301,654,496
	<u>8,007,521,018</u>

24 Income from investments

Dividend on shares	8,295,276
Dividend from NCCB Securities and Financial Services Ltd.	149,999,940
Interest on Treasury bills	277,573,346
Interest on REPO	-
Gain on sale of Shares	30,960,152
Capital gain on sale of Treasury Bonds	106,534,357
Interest on Treasury Bond (HTM)	723,544,275
Interest on Treasury Bond (HFT)	1,596,436,815
Discount on Zero Coupon Bonds	6,790,663
Discount on Treasury Bills/ Bonds	-

Others	16,211,715
	<u>2,916,346,539</u>
24(a) Consolidated Income from investments	
NCC Bank Limited (Note-24)	2,916,346,539
NCCB securities and Financial Services Limited	-
* Inter transaction	(149,999,940)
	<u>2,766,346,599</u>

* Inter Transaction includes interim dividend received from NCCB Securities and Financial Services Limited in the year 2011.

	2011
	Taka
25 Commission, exchange and brokerage	
Commission:	
Commission on bill purchased	11,910,917
Commission on Remittances	18,751,990
Commission on Letter of Guarantee	77,972,727
Commission on Letter of Credit	237,353,567
Commission on Pur./Sale-Share/Securities	1,940,604
Commission on Sanchaypatra	289,792
Commission on Back to Back LC.	42,618,343
Letter of Credit Advising Commission & handling charge	9,790,443
Commission on Acceptance of BTB L/C	98,246,767
Commission - Miscellaneous	12,761,871
Commission on L/C Confirmation	134,188
Underwriting Commission	15,409,858
Commission on Instrument Cancellation	15,058
ATM POS Commission	194,295
Commission from National Prize Bonds	133,000
Money Gram/Others	22,601,797
	<u>550,125,217</u>
Exchange:	
Exchange gain net off exchange losses	384,691,503
Brokerage	<u>124,921,120</u>
	<u>1,059,737,840</u>

25(a) Consolidated Commission, Exchange & Brokerage

NCC Bank Limited (Note-25)	1,059,737,840
NCCB Securities and Financial Services Limited	157,892,568
	<u>1,217,630,408</u>

26 Other operating income

Rent Locker	1,466,104
Rent Godown	754,365
Postage recoveries	9,606,567
Telex, Telegram, Trunk call, Fax.Swift etc. recoveries	29,573,922
Incidental charge recoveries	222,000
Legal charge recoveries	535,431
Service charges	64,664,968
ATM Transaction Fees	6,169,606
Profit on sale of Fixed assets	4,681,258

Risk Fund	5,962,610
Account Maintenance Fees	61,469,089
Card fees	17,336,494
Miscellaneous earnings	68,881,581
Exchange Equalization Gain	-
Application and processing fees	6,302,895
	<u>277,626,890</u>
26(a) Consolidated Other operating income	

NCC Bank Limited (Note-26)	277,626,890
NCCB Securities and Financial Services Limited	33,449,812
	<u>311,076,702</u>

2011
Taka

27 Salary & allowances

Basic Salary	414,917,435
House rent allowance	144,945,343
Allowances (Note 27.1)	151,638,764
Bank's contribution to Provident fund	35,331,145
Bonus	120,036,502
Honorarium	943,900
	<u>867,813,089</u>

27.1 Allowances

Entertainment Allowance	31,606,972
Medical allowance	65,072,290
Washing allowance	930,087
Evening Banking	466,500
Casual Wages	17,718,648
Other allowance	35,844,267
	<u>151,638,764</u>

27(a) Consolidated Salary & allowances

NCC Bank Limited (Note-27)	867,813,089
NCCB Securities and Financial Services Limited	22,228,412
	<u>890,041,501</u>

28 Rent,taxes, insurance, electricity etc.

Rent :

Office	90,539,567
Clearing House	154,276
	<u>90,693,843</u>

Rates and Taxes:

Rates	381,663
Taxes	1,027,367
	<u>1,409,030</u>

Insurance:

Cash	4,098,893
Vehicles	1,543,206
Deposits	35,659,910
Godown Insurance	228,857
	<u>41,530,866</u>

Electricity :

Electricity - office	23,883,676
Electricity - residence	1,127,220
	<u>25,010,896</u>

	25,010,896
	<u>158,644,635</u>
28(a) Consolidated Rent, taxes, insurance, electricity etc.	
NCC Bank Limited (Note-28)	158,644,635
NCCB Securities and Financial Services Limited	8,964,474
	<u>167,609,109</u>
29 Legal Expenses	
Legal charge	4,927,563
Stamp charge	63,997
Consultancy fee	49,600
Credit Rating Fee	300,000
	<u>5,341,160</u>
	2011
	Taka
30 Postage, stamp and telecommunication	
Postage	10,882,901
Telex/Swift/Internet	6,764,308
Telephone -Office	5,620,268
Telephone -Residence	2,680,865
	<u>25,948,342</u>
30(a) Consolidated Postage,stamp and telecommunication	
NCC Bank Limited (Note-30)	25,948,342
NCCB Securities and Financial Services Limited	507,731
	<u>26,456,073</u>
31 Stationery, printing, advertisement etc.	
Printing and stationery:	
Printed stationery	14,404,402
Security stationery	14,876,731
Petty stationery	12,083,900
	41,365,033
Publicity and advertisement	43,403,242
	<u>84,768,275</u>
31(a) Consolidated Stationery, printing, advertisement etc.	
NCC Bank Limited (Note-31)	84,768,275
NCCB Securities and Financial Services Limited	575,563
	<u>85,343,838</u>
32 Managing Director's Salary & allowances	
Basic Salary	4,650,000
Festival Bonus	800,000
Incentive Bonus	1,000,000
Entertainment allowance	342,000
Medical allowance	684,000
House Rent allowance	1,162,500
	<u>8,638,500</u>
33 Director's Fees	
For attending the meeting of the Board / Executive Committee/ Audit Committee etc. @ Tk 5,000 per attendance	<u>2,045,000</u>
34 Audit Fees	<u>150,000</u>
34(a) Consolidated Audit Fees	
NCC Bank Limited (Note-34)	150,000
NCCB Securities and Financial Services Limited	30,675
	<u>180,675</u>
35 Repairs, maintenance, Amortization and depreciation	
Repairs & Maintenance :	

Repairs & Maintenance of Fixed assets	83,248,205
Amortization of Software	8,796,360
Renovation & Maintenance of Premises	55,689,442
	<u>147,734,007</u>

Depreciation: (Annexure 'B')

Furniture and fixtures	20,564,439
Machinery and Equipment	59,876,276
Vehicles	11,175,302
Property	12,249,847
	<u>103,865,864</u>
	<u>251,599,871</u>

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35(a) Consolidated Repairs, maintenance, amortization and depreciation

NCC Bank Limited (Note-35)	251,599,871
NCCB Securities and Financial Services Limited	11,694,467
	<u>263,294,338</u>

Consolidated Repairs & Maintenance:

NCC Bank Limited (Note-35)	147,734,007
NCCB Securities and Financial Services Limited	9,479,020
	<u>157,213,027</u>

Consolidated Depreciation: (Annexure 'B')

NCC Bank Limited (Note-35)	103,865,864
NCCB Securities and Financial Services Limited	2,215,447
	<u>106,081,311</u>

36 Other expenses

Entertainment	19,832,969
Car expenses	29,881,635
Paper and periodicals	1,066,206
Trade Subscription	9,879,243
Traveling & Conveyance	49,783,336
Cash Carrying Charges	533,700
Liveries and Uniform	1,483,752
Water Sewerage and Gas	3,953,705
Medical charges	168,865
Laundry and cleaning	1,207,437
Photography	98,863
Training expenses	1,732,624
Business promotion	16,486,458
Donation	221,788
Utility Charges	13,477,423
Traveling and Haltage (Directors)	2,423,460
Refreshment and dinner (Directors)	1,241,130
Revaluation Reserve on BGTB/T.Bill (HFT)	76,920,859
Loss on Sale/Repo of Govt. Securities	31,931,994
Welfare and Recreation	1,725,528
Other Bank Charge	4,830,445
CDBL Charge	14,103,377
Miscellaneous expenses	560,658
Credit Card Service Charge	6,676,758
Charges of BO A/c	97,988
Sale Commission	3,494,939
Right Share Offering Expenses	-
Superannuation Fund	2,000,000
	<u>295,815,140</u>

36(a) Consolidated Other expenses

NCC Bank Limited (Note-36)	295,815,140
NCCB Securities and Financial Services Limited	17,929,446
	<u>313,744,586</u>
37 Cash received from other operating activities	
Other operating income	379,479,989
Exchange earning	384,691,503
	<u>764,171,492</u>
37(a) Consolidated Cash received from other operating activities	
Other operating income	412,929,801
Exchange earning	384,691,503
	<u>797,621,304</u>
	2011
	Taka
38 Cash paid for other operating activities	
Expenses for the year	499,215,200
Add: Opening accrued expenses	2,708,886
Less: Closing accrued expenses	3,566,456
	<u>498,357,630</u>
38(a) Consolidated Cash paid for other operating activities	
Expenses for the year	536,702,109
Add: Opening accrued expenses	2,708,886
Less: Closing accrued expenses	3,566,456
	<u>535,844,539</u>
39 Increase/(decrease) of other assets	
Closing other assets:	
Stationery in hand	19,958,367
Stamps and stamped forms in hand	1,447,447
Advance deposit	1,881,605
Advance against rent	104,132,865
Suspense account	20,065,577
Software	38,167,769
Others	912,026,534
	<u>1,097,680,164</u>
Opening other assets:	
Stationery in hand	16,538,351
Stamps and stamped forms in hand	1,386,944
Advance deposit	1,662,909
Advance against rent	88,740,104
Suspense account	82,735,210
Software	18,441,288
Others	931,591,963
Income Tax paid during the year	1,203,765,643
Increase/(decrease) for the year	<u>2,344,862,412</u>
	<u>(1,247,182,248)</u>
39(a) Increase/(decrease) of Consolidated other assets	
Closing other assets:	
Stationery in hand	19,958,367
Stamps and stamped forms in hand	1,447,447
Advance deposit	1,881,605
Advance against rent	104,132,865
Suspense account	20,065,577
Software	38,167,769
Others	677,253,791
	<u>862,907,421</u>

Opening other assets:	
Stationery in hand	16,538,351
Stamps and stamped forms in hand	1,386,944
Advance deposit	1,662,909
Advance against rent	88,740,104
Suspense account	82,735,210
Software	18,441,288
Others	931,591,963
Income Tax paid during the year	1,234,907,741
Increase/(decrease) for the year	2,376,004,510
	<u>(1,513,097,089)</u>

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40 Increase/(decrease) of other liabilities

Closing other liabilities	
Interest Suspense	321,360,238
Inter branch transaction account	199,564,244
	<u>520,924,482</u>
Opening other liabilities	
Interest Suspense	265,448,405
Inter branch transaction account	363,458,684
	<u>628,907,089</u>
Increase/(decrease) for the year	<u>(107,982,607)</u>

41 Cash and Cash equivalents

Cash in hand	774,915,500
Balance with Bangladesh Bank and Sonali Bank	5,667,122,581
Balance with other bank and financial institutions	441,901,631
Prize bonds	4,651,800
	<u>6,888,591,512</u>

41(a) Consolidated Cash and Cash equivalents

Cash in hand	774,915,500
Balance with Bangladesh Bank and Sonali Bank	5,667,122,581
Balance with other bank and financial institutions	442,843,683
Prize bonds	4,651,800
	<u>6,889,533,564</u>

42 Earning Per Share (EPS)

Net Profit after tax for the year	2,198,956,315
Number of Ordinary share outstanding	594,165,435
Earning Per Share (EPS)	3.70
Restated Earning per Share (REPS)	-

42 (a) Consolidated Earning Per Share

Net Profit after tax for the year	2,236,973,518
Number of Ordinary share outstanding	594,165,435
Consolidated Earning Per Share	3.76
Restated Earning per Share	-

43 Events after Balance Sheets dates

i) The Board of Directors in its 241st meeting held on 26.02.2012 recommended pay cash and 17% (Seventeen) Stock Dividend for the year 2011. The total amount Tk.160,42,46,674.50 (One hundred sixty crore forty two lac forty six thousand six hundred and fifty) only.

**Sd/-
Chairman**

**Sd/-
Director**

**Sd/-
Director**

**Sd
Managing**

National Credit and Commerce Bank Limited and its Subsidiaries
CONSOLIDATED FIXED ASSETS SCHEDULE AS AT DECEMBER 31, 2011

Particulars	Cost				Depreciation				Written down value at 31 December-2011
	Balance on 1 January - 2011	Additions during the period	(Disposals) / adjustments during the period	Balance at 31 December-2011	Balance on 1 January-2011	Charge for the period	(On Disposals) / adjustments during the period	Balance at 31 December-2011	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Furniture & fixture	236,983,642	86,916,711	(11,185,035)	312,715,318	101,626,693	21,121,624	(3,772,102)	118,976,215	193,739,103
Machinery & equipment	388,912,606	150,411,923	(14,780,928)	524,543,601	180,376,907	61,534,538	(5,913,022)	235,998,423	288,545,178
Land - I - Head Office Premise (Under Construction)	95,284,000	-	-	95,284,000	-	-	-	-	95,284,000
Land - II - Head Office Premise (with Structure)	24,709,834	-	-	24,709,834	114,376	54,329	-	168,705	24,541,129
Land - III Premise of Dhanmondi Branch	26,699,950	-	-	26,699,950	2,309,293	613,585	-	2,922,878	23,777,072
Land - IV Premise of Islampur Branch	47,812,834	-	-	47,812,834	1,749,528	1,139,083	-	2,888,611	44,924,223
Land -V - Premise of Savar Branch	26,021,474	-	-	26,021,474	1,185,074	562,910	-	1,747,984	24,273,490
Land - V1 - Premise of Bijoyagar Br.	53,085,456	-	-	53,085,456	2,614,273	1,241,780	-	3,856,053	49,229,403
Land - V11 - Premise of Pragoti Sarani Branch	62,115,010	-	-	62,115,010	872,163	1,531,071	-	2,403,234	59,711,776
Land - V111 - Premise of Uttara Branch	62,847,200	7,500,000	-	70,347,200	284,104	1,662,706	-	1,946,810	68,400,390
Land - 1X -Premise of Agrabad Branch	58,902,420	1,780,053	-	60,682,473	86,065	1,495,774	-	1,581,839	59,100,634
Land - X -Premise of Elephant Road Branch	87,386,268	-	-	87,386,268	11,699	2,134,739	-	2,146,438	85,239,830
Land - X1 -Premise of Mitford Branch	-	30,004,115	-	30,004,115	-	412,699	-	412,699	29,591,416
Land - X11 -Premise of O.R.Nizam Road Br.	-	136,811,525	-	136,811,525	-	455,470	-	455,470	136,356,055
Vehicles	68,915,337	22,416,598	(7,152,402)	84,179,533	38,571,696	11,175,302	(7,044,410)	42,702,588	41,476,945
Sub-total	1,239,676,031	435,840,925	(33,118,365)	1,642,398,591	329,801,871	105,135,610	(16,729,534)	418,207,947	1,224,190,644
		Re-valuation				Depreciation			
Land - I - Premise of Head Office (Under Construction)	79,816,000	-	-	79,816,000	-	-	-	-	79,816,000
Land - II - Head Office Premise (with Structure)	163,150,265	-	-	163,150,265	-	-	-	-	163,150,265
Land - III Premise of Dhanmondi Branch	39,643,862	-	-	39,643,862	991,097	945,701	-	1,936,798	37,707,064
Sub-total	282,610,127	-	-	282,610,127	991,097	945,701	-	1,936,798	280,673,329
December -2011	1,522,286,158	435,840,925	(33,118,365)	1,925,008,718	330,792,968	106,081,311	(16,729,534)	420,144,745	1,504,863,973
December-2010	1,110,775,268	422,505,432	(10,994,542)	1,522,286,158	261,671,687	79,661,309	(10,540,028)	330,792,968	1,191,493,190

National Credit and Commerce Bank Limited

FIXED ASSETS SCHEDULE AS AT DECEMBER 31, 2011

Particulars	Cost				Depreciation			
	Balance on 1 January - 2011	Additions during the period	(Disposals) / adjustments during the period	Balance at 31 December- 2011	Balance on 1 January- 2011	Charge for the period	(On Disposals)/ adjustments during the period	Balance at 31 December - 2011
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Furniture & fixture	236,983,642	86,690,649	(11,309,322)	312,364,969	101,626,693	20,564,439	(3,896,489)	118,294,643
Machinery & equipment	388,912,606	150,329,223	(15,157,734)	524,084,095	180,376,907	59,876,276	(6,289,827)	233,963,356
Land - I - Head Office Premise (Under Construction)	95,284,000	-	-	95,284,000	-	-	-	-
Land - II - Head Office Premise (with Structure)	24,709,834	-	-	24,709,834	114,376	54,329	-	168,705
Land - III Premise of Dhanmondi Branch	26,699,950	-	-	26,699,950	2,309,293	613,585	-	2,922,878
Land - IV Premise of Islampur Branch	47,812,834	-	-	47,812,834	1,749,528	1,139,083	-	2,888,611
Land -V - Premise of Savar Branch	26,021,474	-	-	26,021,474	1,185,074	562,910	-	1,747,984
Land - V1 - Premise of Bijoynagar Branch	53,085,456	-	-	53,085,456	2,614,273	1,241,780	-	3,856,053
Land - V11 - Premise of Pragoti Sarani Branch	62,115,010	-	-	62,115,010	872,163	1,531,071	-	2,403,234
Land - V111 - Premise of Uttara Branch	62,847,200	7,500,000	-	70,347,200	284,104	1,662,706	-	1,946,810
Land - 1X -Premise of Agrabad Branch	58,902,420	1,780,053	-	60,682,473	86,065	1,495,774	-	1,581,839
Land - X -Premise of Elephant Road Branch	87,386,268	-	-	87,386,268	11,699	2,134,739	-	2,146,438
Land-XI- Premise of Mitford Branch		30,004,115		30,004,115	-	412,699	-	412,699
Land-XI1- Premise of O. R. Nizam Road Branch		136,811,525		136,811,525	-	455,470	-	455,470
Vehicles	68,915,337	22,416,598	(6,132,402)	85,199,533	38,571,696	11,175,302	(6,024,410)	43,722,588
Sub-total	1,239,676,031	435,532,163	(32,599,458)	1,642,608,736	329,801,871	102,920,163	(16,210,726)	416,511,308
		Re-valuation				Depreciation		
Land - I - Premise of Head Office (Under Construction)	79,816,000	-	-	79,816,000	-	-	-	-
Land - II - Head Office Premise (with Structure)	163,150,265	-	-	163,150,265	-	-	-	-
Land - III Premise of Dhanmondi Branch	39,643,862	-	-	39,643,862	991,097	945,701	-	1,936,798
Sub-total	282,610,127	-	-	282,610,127	991,097	945,701	-	1,936,798
Grand total	1,522,286,158	435,532,163	(32,599,458)	1,925,218,863	330,792,968	103,865,864	(16,210,726)	418,448,106
December -2010	1,110,775,268	422,505,432	(10,994,542)	1,522,286,158	261,671,687	79,661,309	(10,540,028)	330,792,968

National Credit and Commerce Bank Limited
Notes to the Financial Statements

BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS
Outside Bangladesh - Note 6(2)
as on December 31, 2011

In demand deposit accounts (non interest bearing) with:

Name of the Bank	Currency Name	2011			2010		
		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.
Standard Chartered Bank, Singapore	SGD	-	-	-	9,808.62	54.42	533,754
Standard Chartered Bank, Japan	J.YEN	2,823,846.00	1.04	2,948,660	1,585,843.00	0.86	1,369,534
HSBC Bank, New York	USD	683,602.35	81.25	55,542,691	127,142.81	70.35	8,944,497
Bank of Tokyo Mitsubishi, Japan	J.YEN	645,938.00	1.04	674,488	1,048,995.00	0.86	905,912
Myanma Investment & Co, Mayanmar	ACU	-	-	-	94,275.75	70.35	6,632,299
Banko Itau	USD	94,255.56	81.25	7,658,264	69,615.74	70.35	4,897,467
Bank of Tokyo Mitsubishi, Kolkata	ACU	100,000.00	81.25	8,125,000	100,000.00	70.35	7,035,000
American Express Bank, Colombo	ACU	311,731.53	81.25	25,328,187	380,957.99	70.35	26,800,395
Commerze Bank AG	EUR	24,699.63	104.56	2,582,702	11,267.36	92.47	1,041,928
United Bank Ltd., Karachi	ACU	86,430.33	81.25	7,022,464	27,936.21	70.35	1,965,312
UBAF, Japan	J.YEN	416,800.00	1.04	435,223	182,400.00	0.86	157,521
Nepal Bangladesh Bank, Nepal	ACU	139,106.62	81.25	11,302,413	57,574.12	70.35	4,050,339
HSBC, Kolkata	ACU	190,078.54	81.25	15,443,881	268,496.81	70.35	18888751
AXIS Bank Kolkata	ACU	116,881.13	81.25	9,496,592	91,856.19	70.35	6462083
Bank of Bhutan, Phuentsholing	ACU	19,786.27	81.25	1,607,634	57,717.59	70.35	4,060,432
Habib American Bank	USD	2,000.00	81.25	162,500	-	-	-
Jpmorgan Chass Bank	USD	52,998.60	81.25	4,306,136	-	-	-
Uni Credio Italiano Spa	EURO	318,749.00	104.56	33,329,798	50,241.16	92.47	4,645,956
ICICI Bank HKK	USD	216,629.35	81.25	17,601,135	164,951.65	70.35	11604349
Nova Scotia Canada	CAD	101,844.83	79.32	8,078,587	54,036.82	70.38	3803014
WACHOVIA NA	USD	71,777.66	81.25	5,831,935	-	-	-
Sonali Bank Kolkata	ACU	32,990.00	81.25	2,680,438	-	-	-
Habib Metropolitan Bank	ACU	184,443.50	81.25	14,986,034	140,606.13	70.35	9,891,641
Standard Chartered Bank, London	EUR	-	-	-	15,886.59	92.47	1,469,082
				<u>235,144,762</u>			<u>125,159,266</u>

In demand deposit account (interest bearing) with :

Standard Chatered Bank, New York	USD	781,307.90	81.25	63,481,267	1,162,781.25	70.35	81,801,661
Mashreq Bank, New York	USD	-	-	-	410,051.83	70.35	28,847,146
Standard Chartered Bank, London	GBP	147,409.38	124.95	18,418,434	-	-	-
				<u>81,899,701</u>			<u>110,648,807</u>
				<u>317,044,463</u>			<u>235,808,073</u>

NATIONAL CREDIT AND COMMERCE BANK LTD
Notes to the Financial Statements

**Borrowings from other banks, Financial Institutions and agents
(Outside Bangladesh) - Note -12 as on December 31, 2011**

Name of the Bank	Currency Name	2011			2010		
		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.
CITI Bank NA	USD	903,636.69	82.25	74,324,118	468,942.53	71.35	33,459,050
ICICI Bank, Kolkata	ACU	296,310	82.25	24,371,486	436,877.22	71.35	31,171,190
Standard Chartered Bank, London	GBP	-	-	-	3,396.57	111.66	379,250
Standard Chartered Bank, Kolkata	ACU	185,495.06	82.25	15,256,969	792,566.97	71.35	56,549,653
Wachovia NA	USD	-	75.80	-	211,697.04	71.35	15,104,584
Mashreq Bank Kolkata	ACU	499,451.74	82.25	41,079,906	1,951,778.61	71.35	139,259,404
Mashreq Bank N.Y	USD	414,338.93	82.25	34,079,377	-	-	-
Standard Chartered Bank, London	EUR	102,475.05	108.38	11,106,471	-	-	-
Standard Chartered Bank, Singapore	SGD	4,686.11	63.75	298,761	-	-	-
				200,517,088			275,923,130

National Credit and Commerce Bank Limited**Notes to the Financial Statements****Statement of Large Loan Exposure made during the year 2011****more than 10% of Total Capital of the Bank (Note-9.7) as on December 31, 2011****(Amount in Crore)**

Sl. No	Name of Clients	2011			2010
		Taka			Taka
		Outstanding		Total	Total
		Funded	Non-Funded	Amount	Amount
1	NCCB Securities & Financial Servises Limited	296.66	102.00	398.66	-
2	Fresh Group	3.05	264.24	267.29	-
3	Aftab Group (all allied concern)	184.48	20.59	205.07	133.83
4	Doreen Power Generation & Systems Ltd.	182.65	11.00	193.65	205.16
5	Saad Musa Home Tex	107.95	64.51	172.46	101.43
6	Abul Khair Steel Industries Ltd.	61.82	104.40	166.22	152.60
7	BSRM Steel	48.44	109.36	157.80	-
8	DAF P.P. Ind. & allied concern	70.20	79.83	150.03	166.29
9	Best Holdings Ltd.	150.11	2.24	152.35	112.14
	Grand -Total	1,105.36	758.17	1,863.53	871.45

National Credit and Commerce Bank Limited

Annexure-F

Investment in Shares as on 31.12.2011

SL No.	Name of Company	Face Value	No. of Shares	Cost / Present value of holdings	Quoted rate per share as on 31-12-2011	Total Market Value as at 31.12.2011
	Quoted:					
1	Bata Shoe Co. (BD) Ltd.	10	5,000	3,008,892	598.50	2,992,500
2	Bangladesh Auto Cars Ltd.	10	18,050	223,932	56.50	1,019,825
3	Eastern Cables Ltd.	10	25,040	277,852	57.10	1,429,784
4	Eagle Star Textile Mills Ltd.	10	254,700	4,227,951	9.90	2,521,530
5	National Bank Limited	10	249,215	14,088,108	66.80	16,647,529
6	Olympic Industries Ltd.	10	6,620	511,650	130.50	863,910
7	Prime Textile Mills Ltd.	10	10,000	300,000	35.50	355,000
8	A B Bank Ltd.	10	75,000	6,067,093	38.30	5,122,500
9	Agrani Insurance Ltd.	10	130,000	10,604,575	41.30	5,369,000
10	Asia Insurance Ltd.	10	70,000	7,498,050	57.70	4,039,000
11	Al-Arafa Islami Bank Ltd.	10	830,425	40,575,700	37.80	31,390,065
12	BSRM Steel Ltd.	10	44,300	7,460,091	118.70	5,258,410
13	MBL 1st Mutual Fund	10	1,000,000	10,000,000	9.20	9,200,000
14	DESCO Ltd.	10	160,050	22,495,953	113.50	18,165,675
15	Eastland Insurance Ltd.	10	130	11,650	91.70	11,921
16	Bank Asia Ltd.	10	280,750	12,616,962	38.20	10,724,650
17	Grameenphone Ltd.	10	80,000	18,229,925	163.50	13,080,000
18	Green Delta Insurance Co.	10	30,000	7,820,580	152.40	4,572,000
19	IDLC	10	50,010	12,154,908	138.50	6,926,385
20	Islami Bank (BD) Ltd.	10	2,000	56,132	54.50	109,000
21	Jamuna Bank Ltd.	10	460,211	19,670,799	34.50	15,877,281
22	Lanka Bangla Finance Ltd.	10	40,200	10,327,783	170.20	6,842,040
23	Meghna Petroleum Ltd	10	31,787	7,436,606	187.90	5,972,777
24	Navana CNG Ltd.	10	100,000	19,085,000	83.60	8,360,000
25	Exim Bank Ltd.	10	6,062	55,150	27.80	168,524
26	Prime Bank Ltd.	10	375	11,223	44.50	16,687
27	Pubali Bank Ltd.	10	520,000	31,232,515	50.40	26,208,000
28	Summit Alliance Port Ltd.	10	50,000	8,540,660	57.90	2,895,000
29	South East Bank Ltd.	10	900,000	42,723,519	30.10	27,090,000
30	Square Textiles Ltd	10	50,000	9,591,860	113.70	5,685,000
31	UCBL	10	155,000	8,500,480	43.90	6,804,500
32	Standard Bank Ltd.	10	10,150	313,348	30.20	306,530
33	Summit Power Ltd.	10	200,083	18,307,318	74.40	14,886,175
34	Titas Gas Transmission	10	281,000	24,317,179	67.60	18,995,600
35	Uttara Bank Ltd.	10	100,000	8,120,373	77.80	7,780,000
36	ICB Islamic Bank	10	400,100	5,490,645	10.00	4,001,000
37	Khulna Power Co. Ltd.	10	25,000	2,914,670	62.80	1,570,000
38	Laferge Surma Cement	10	115,000	4,417,425	26.60	3,059,000
39	Ocean Containers Ltd.	10	30,056	2,904,845	65.90	1,980,707
40	Shahjalal Islami Bank Ltd.	10	260,000	10,080,819	32.50	8,450,000
41	Bay Leasing & Investment	10	257,670	44,765,525	70.10	18,062,667
42	Green Delta Mutual Fund	10	1,840,000	17,677,365	6.80	12,512,000
43	Fareast Life Insurance Ltd.	10	15,000	2,863,330	162.00	2,430,000
44	Power Grid Co. Ltd.	10	30,000	2,336,912	63.00	1,890,000
45	Bangladesh General Insurance Co.	10	70,000	3,811,258	49.30	3,451,000
46	SEBL 1st Mutual Fund	10	3,000,000	30,000,000	8.90	26,700,000
47	Peoples Leasing & Finance	10	310,350	41,444,553	69.30	21,507,255
48	Premier Leasing Ltd.	10	400	15,681	33.20	13,280
49	Beximco Ltd.	10	35,000	6,685,800	113.00	3,955,000
50	Makson Spinnings	10	125,000	6,981,750	35.00	4,375,000
51	MI (Crown) Cement Factory Ltd.	10	45,056	3,758,861	110.50	4,978,688
52	Mobil Jamuna Lubricant BD Ltd.	10	40,000	6,360,450	99.90	3,996,000
53	Trust Bank 1st Mutual Fund	10	125,000	1,765,000	8.90	1,112,500
54	Agni System Ltd.	10	2,000	71,200	35.00	70,000

55	Asia Pacific Insurance Ltd.	10	4,000	153,000	42.30	169,200
56	Square Pharma	10	1,000	232,910	237.10	237,100
57	Eastern Bank Ltd.	10	65,000	4,288,760	65.80	4,277,000
58	RAK Ceramics Ltd.	10	69	3,046	78.40	5,410
Total Quoted Share :				585,487,622		416,489,605

Un-Quoted

1	CDBL		913,889	3,138,890	-	3,138,890
2	SWIFT		1	991,199	-	991,199
3	Venture Invst. Partner BD Ltd.		187,200	18,000,000	-	18,000,000
4	Dhaka Vegetable Oil Ind. Ltd.		31,920	7,448,523	-	7,448,523
5	Dun & Bradstreet Rating Agency		41,659	4,165,900	-	4,165,900
6	Summit Uttaranchal Power Co. Ltd.		140,000	14,000,000	-	14,000,000
7	Summit Purbanchal Power Co. Ltd.		210,000	21,000,000	-	21,000,000
8	NCCBL Mutual Fund -1		2,000,000	200,000,000	-	200,000,000
9	NLI 1st Mutual Fund		3,000,000	30,000,000	-	30,000,000
10	MSF Asset Management Co.		-	2,000,000	-	2,000,000
Total Unquoted Share :				300,744,512		300,744,512
Grand Total :				886,232,134		717,234,117

Total market value of quoted shares is lesser than cost price by Tk.16,89,98,042/- against which provision of Tk.16,89,98,042/- is appearing in these financial statements (**Note-8.1**).

National Credit and Commerce Bank Limited

**Statement of the Name of the Directors and the entities in which they have interest as on
December 31, 2011**

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	Alhaj Md. Nurun Newaz	Chairman	Electro Mart Limited, Chairman	30.00%
			Trade International Marketing Ltd., Chairman	35.00%
			Newaz International Ltd., Managing Director	35.00%
			The Royal Bengal Agency, Proprietor	100.00%
			Royal International, Proprietor	100.00%
2	Mr. Mostafizur Rahman	Vice Chairman	Sirina Garments & Textiles Ltd., Chairman & Managing Director	25.00%
			RMS Textile & Apparels Ltd., Chairman & Managing Director	16.67%
			Dragoni Fashions Ltd., Chairman & Managing Director	35.00%
			CNS Ltd. , Chairman	16.00%
			Crown Housing Ltd., Chairman	33.33%
			National Life Insurance Co.Ltd	
3	Mr. A.S.M. Main Uddin Monem	Director	Abdul Monem Ltd., Director	15.00%
			Abdul Monem Sugar Refinery Limited, Director	16.67%
			AM Energy Limited, Director	15.00%
			AM Pharma Ltd., Managing Director	18.00%
			AM Securities & Financial Services Ltd., Managing Director	93.33%
			Igloo Ice Cream Limited, Director	17.00%
			Igloo Foods Limited, Director	25.00%
			Igloo Dairy Limited, Director	25.00%
			AML Power Infotech Limited, Director	10.00%
			Novus Pharmaceuticals Limited. ,Managing Director	14.93%
			AM Channel Limited, Director	25.00%
			AM Beverage Limited. ,Director	20.00%
			AM Sugar Blending Limited. ,Director	25.00%
			AML Power Limited. ,Director	10.00%
			AM Dairy Limited	25.00%
			Joinab Enterprise, Proprietor	100.00%
			Joinab Overseas, Proprietor	100.00%
			Pragati Insurance Co. Ltd., Director	0.20%
4	Mr. Nurul Islam	Director	Unilac Sanowara (BD) Ltd., Managing Director	25.50%
			Sanowara International Product Ltd., Managing Director	38.18%
			Sanowara Dairying & Industries Ltd., Managing Director	33.66%
			Sanowara Drinks & Beverage Industries, Managing Director	26.34%
			Sanowara Packaging Industries Ltd., Managing Director	45.76%
			Sanowara Dairy Foods Ltd., Managing Director	25.00%
			Sanowara Plastic Products Ltd., Managing Director	28.57%

			Sanowara Consumer Products Limited, Managing Director	22.22%
			Sanowara Holdings Limited, Managing Director	20.00%

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
5	Mr. Md. Abdul Awal	Director	Prime Group of Industries Ltd,	20.00%
			Chairman & Managing Director	
			Prime Energy Ltd,Managing Director	35.00%
			Prime Textile Spinning Mills Ltd,Managing Director	14.70%
			Prime Composite Mills Ltd,Managing Director	6.51%
			Prime Steel Re-Rolling Mills Ltd,Managing Director	0.26%
			Prime Dairy & Poultry Ind. Ltd,Managing Director	80.00%
			Prime Fisheries Industries Ltd,Managing Director	80.00%
			Prime Trans National Ltd,Managing Director	80.00%
			Prime Peoples Property Ltd,Managing Director	80.00%
			Prime World Trade Ltd, Managing Director	80.00%
			Prime Super Printing Mills Ltd, Managing Director	80.00%
			Prime Synthetics Ltd, Managing Director	80.00%
			Prime Weaving Mills Ltd, Managing Director	80.00%
			Prime Dyeing & Finishing Mills Ltd, Managing Director	80.00%
			Prime Blended Yarn Mills Ltd, Managing Director	99.91%
			Prime Melange Spinning Mills Ltd, Managing Director	12.50%
			Prime Knitwears Ltd, Managing Director	60.00%
			Prime Information Technologies Ltd, Managing Director	50.00%
			Prime Textile Fabrics Ltd, Managing Director	75.00%
			Prime Knit Fabrics Ltd, Managing Director	75.00%
			Prime Fine 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 Financial Consultants & Equities Ltd, Shareholder	48.29%
			Steel Enterprise Ltd, Managing Director	0.80%
			Doleswar Iron & Eng. Works Ltd, Managing Director	6.00%
			Unique Steel Industries Ltd., Managing Director	8.33%
			Jahanabad Ship Breakers Ltd, Chairman	50.00%
			Prime Steel Mills Ltd. Chairman	10.00%
6	Mr.Amjadul Ferdous Chowdhury	Director	B.S.A. Garments Ind. (Pvt.) Limited, Managing Director	19.00%
			B.S.A. Fashion Ltd., Managing Director	50.00%
			B.S.A. Apparels Limited, Managing Director	25.00%
			Vanguard Garments Ltd., Managing Director	50.00%
			Vanguard Fashion Ltd., Managing Director	15.00%
			Vanguard Shares & Securities Ltd., Manaing Director	6.00%
			Vanguard Packages Ltd., Managing Director	33.00%
			Vanguard Dresses Limited, Managing Director	33.00%
			Glare Fashion Limited, Managing Director	50.00%
			Royal Cement Ltd., Chairman	10.00%
			Brave Royal Shipping Limited, Managing Director	20.00%
			Vanguard Maritime Limited, Chairman	30.00%

			Royal P. P Bags Limited, Chairman	15.00%
			Harrods Garments Ltd., Chairman	25.00%
			Glare Trading Importer of Ahmed Foods, Proprietor	100.00%
7	Mr. S.M. Abu Mohsin	Director	Continental Insurance Ltd.Chairman	3.77%
			Brothers Oxygen Ltd., Managing Director	80.00%
			Food of Accomodation Limited, Chairman	19.10%
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
8	Mrs. Lutfun Nahar Begum	Director	Wazhico International Ltd.	9.37%
			Sagarika Textile Ltd.	12.50%
9	Mr. Abdus Salam	Director	The Bengal Electric Ltd., Managing Director	74.00%
			Multiple Equipment & Engineering Ltd., Managing Director	60.00%
			Gangatia Fisheries Ltd., Managing Director	20.00%
			Bengal Shipyard Ltd. (Bengal Energy Ltd.), Managing Director	25.00%
10	Mr. Mahbulul Alam Tara	Director	Bangladesh Progressive Enterprise Press Ltd.	31.29%
			Managing Director	
			Progressive Poly-Pack Ltd., Managing Director	22.00%
11	Mrs. Sohela Hossain	Director	Mir Akhter Hossain Ltd., Director	15.00%
			Mir Cement Ltd., Director	32.00%
			Mir Real Estate Ltd., Director	25.00%
			Mir Concrete Products Ltd.,Director	35.16%
			Mir Telecom Ltd., Chairman	12.37%
			Mir Power Ltd., Director	25.00%
12	Mr. Ainul Kabir	Director	Nil	
13	Mr. Khondkar Zakaria Mahmud	Director	Home Creations Ltd., Managing Director	40.00%
			Kriya Consulting Limited, Director	20.00%
			Agro Futures Limited, Director	20.00%
14	Mrs. Sultana Yasmen	Director	Nil	Nil
15	Mr. Yakub Ali	Director	Ali Fashion Limited, Chairman	23.81%
			Anowara Apparels Ltd., Chairman	22.22%
			Anowara Fashions Ltd., Chairman	21.83%
			Anowara Paper Mills Ltd., Chairman	35.00%
			Bangladesh Fertilizer & Agro Chemicals Ltd., Director	18.35%
			Diamond Cement Ltd., Chairman	11.56%
			Habib Printers and Publisher Ltd., Chairman	33.35%
			Habib Share & Securities Ltd., Chairman & Managing Director	16.67%
			Habib Sons, Managing Partner	1.30%
			Habib Steels Ltd., Chairman	33.34%
			HG Aviation Limited, Director	8.33%
			Legacy Fashion Ware Ltd., Chairman	10.60%
			Maam Textile Mills Limited, Chairman	16.00%
			MTS Re-Rolling Mills Ltd., Chairman	23.34%
			Mudys Navigation Ltd., Chairman	35.00%
			Noor Garments Ltd, Chairman	31.25%
			Regent Fabrics Ltd., Chairman	16.67%
			Regent Power Ltd., Chairman	13.33%
			Regent Spinning Mills Ltd., Chairman	14.00%
			Regent Textile Mills Ltd., Chairman	22.11%
			Regent Weaving Ltd., Chairman	33.33%
			Regent Energy and Power Ltd., Chairman	2.50%
			Saims Superior Limited, Chairman	1.00%
			Valiant Fashion Ware Ltd., Chairman	16.67%
			Valiant Garments Ltd., Chairman	16.84%

16	Mr.Ali Imam	Director	Vest-Thread and Accessories Ltd., Director	51.00%
			Sam Sweater Ltd., Director	20.00%
			Imam Accessories Ltd., Director	20.00%
			Ben Hossain Holding Ltd., Director	50.00%
			Imam Real Estate Ltd., Director	20.00%
			River View Holding Ltd., Director	50.00%
			Imam Dyeing Knitting Printing & Finishing Ind.Ltd., Director	65.00%
			Prime Shrim Hatechary Ltd., Director	30.00%
			Chittagong Properties Ltd., Director	33.00%
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
17	Mr. Tofazzal Hossain	Director	Agro Equipments Ltd., Chairman	40.00%
			Protik Ceramic Ltd., Chairman	40.00%
			Islami Insurance BD Ltd., Chairman	5.00%
			New Nation Solar Ltd., Chairman	50.00%
			New Nation Agro Ltd., Chairman	56.00%
			New Nation Garments Ltd., Managing Director	60.00%
			New Generation Trading, Proprietor	100.00%
			T.H. Fashions, Proprietor	100.00%
			Great Walls Land Property Ltd., Director	30.00%
			National Life Insurance Co. Ltd., Director	0.23%
18	Mr. Fakhrul Anwar	Director	Golden Inn Chattagram Ltd. Managing Director	30.00%
			Holy Crescent Hospital Ltd., Director	3.00%
			Fakhrul Anwar & Bros, Proprietor	100.00%
19	Mr. Md. Humayun Kabir	Director	Cross Trade Shipping Lines Ltd., Managing Director	50.00%
			Midland Shipping Lines Ltd. Managing Director	33.00%
			Tuly Trading House, Proprietor	100.00%
20	Mr. Din M. Rana	Director	National Life Insurance Company Limited, Shareholder	
			The White Castle Limited, Chairman	10.00%
			Hotel Lake Castle Limited, Director	25.00%
			Bestclean Limited, Managing Director	64.44%
			Rigs Limited, Managing Director	77.58%
			Rigs Aviation Limited, Managing Director	20.00%
			Rigs Publication Limited, Managing Director	50.00%
			Rigs Fisheries Prokalpa, Proprietor	100.00%
			Rigs Marketing, Managing Partner	50.00%
			Rigs Herbs, Proprietor	100.00%
			Rigs Tours & Services, Proprietor	100.00%
			Rigs Properties Ltd, Managing Director	50.00%
			Cox.s Inn, Proprietor	100.00%
			Madina Industrial Corporation, President	90.00%
			Madina Corporation, President	90.00%
			Shaptahik Kagoj Inc., President	95.00%
21	Mr. Md. Abul Bashar	Director	Prime Group of Industries Limited, Dy. Managing Director	1.00%
			Prime Energy Limited, Dy. Managing Director	5.00%
			Prime Textile Spinning Mills Limited, Dy. Managing Director	0.34%
			Prime Composite Mills Limited, Dy. Managing Director	0.22%
			Prime Steel Re-Rolling Mills Ltd., Dy. Managing Director	0.01%
			Prime Dairy & Poultry Ind. Limited, Dy. Managing Director	3.00%
			Prime Fisheries Industries Limited, Dy. Managing Director	3.00%
			Prime Trans National Limited, Dy. Managing Director	2.00%
			Prime Peoples Property Limited, Dy. Managing Director	2.00%
			Prime World Trade Limited, Dy. Managing Director	2.00%
			Prime Super Printing Mills Limited, Dy. Managing Director	2.00%
			Prime Synthetic Limited, Dy. Managing Director	2.00%
			Prime Weaving Mills Limited, Dy. Managing Director	2.00%
			Prime Dyeing & Finishing Mills Limited, Dy. Managing Director	2.00%

			Prime Blended Yarn Mills Limited, Dy. Managing Director	0.01%
			Prime Melange Spinning Mills Limited, Dy. Managing Director	1.00%
			Prime Knitwears Limited, Dy. Managing Director	5.00%
			Prime Information Technologies Limited, Dy. Managing Director	25.00%
			Prime Textile Fabrics Limited, Dy. Managing Director	5.00%
			Prime Knit Fabrics Limited, Dy. Managing Director	5.00%
			Prime Fine Yarn Mills Limited, Dy. Managing Director	5.00%
			Prime Ship Breakers Limited, Managing Director	5.19%
			Prime Ship Recycling Limited, Managing Director	10.00%
			Prime FSS Ship Breakers Ltd., Managing Director	6.00%
			Prime Financial Consultants & Equities Limited, Shareholder	16.46%
			Steel Enterprise Limited, Dy. Managing Director	0.02%
			Doleswar Iron & Eng. Works Limited, Dy. Managing Director	3.00%
			Unique Steel Industries Limited, Dy. Managing Director	4.17%
			Jahanabad Ship Breakers Limited, Managing Director	10.00%
			Prime Steel Mills Ltd. ,Dy. Managing Director.	2.00%
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
22	Mr. Md. Harunur Rashid	Director	Nazma Construction Company, Proprietor	100.00%
			NCC Consortium, Proprietor	100.00%
			Apurba Embroidery, Proprietor	100.00%
			HR Bricks, Proprietor	100.00%
			Nazma Construction Company Consortium, Proprietor	100.00%
			Faridgonj Fisheries Ltd., Managing Director	95.00%
			Global Insurance Ltd., Sponsor	2.16%
23	Mr. Khairul Alam Chaklader	Director	Desh Medical College & Hospital , Chairman	25.00%
			Gulshan Point (Pvt) Ltd., Managing Director	30.00%
			Gold Vision Industries Ltd., Managing Director	50.00%
			Urban Responses Ltd., Managing Director	50.00%
			Eastern Logistics Ltd., Director	10.00%
			Maxwell Electronics, Proprietor	100.00%
			Orbit Pharmaceuticals Ltd. Director	20.00%
24	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%
25	Professor Shahid Uddin Ahmed, Ph.D.	Independent Director	Nil	Nil

National Credit and Commerce Bank Limited

**Related Party Transactions:
as at December 31, 2011**

Related Party Transactions:

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	Habib Shares & Securities Ltd.	Managing Director	Mr. Yakub Ali	SOD(G)	3.27	-	3.27
2	New Generation Trading	Proprietor	Mr. Tofazzal Hossain	CC(H)	113.15	-	113.15
3	Self	-	Mr. Mahabubul Alam Tara	HBL	43.27	-	43.27
	Prograsive poly pack Limited	Managing Director		Loan (G)	64.20	-	64.20
4	M/S. Fahad Traders	Proprietor	Mr. Fakrul Anowar	CC(H)	20.66	-	20.66
5	M/s.Mr.A.Parvez Chowdhury	Guarantor	Mr.Amjadul Ferduse Chowdhury	CC(H)	166.21	-	166.21
6	Self	-	Mr. Humayun Kabir	SOD(G)	62.57	-	62.57
7	Nazma Construction Co.	Proprietor	Mr. Md.Harunur Rashid	SOD(G)	514.79	-	514.79
8	Chicks Field	Guarantor	Mr. Nurul Islam	CC(H)	10.36	-	10.36
	Sanowara Drinking & Bevarage Inds. Ltd.	Managing Director		B/G	-	6.17	6.17
	Sanowara Dairy & Food Ltd.	Managing Director		B/G	-	18.45	18.45
9	Sirina Garments & Textiles Ltd.	Chairman & Managing Director	Mr. Mostafizur Rahman	SOD(G)	148.80	-	148.80
10	Samsong Corporation	Guarantor	Mr. Khairul Alam Chaklader	CC(H)	195.00	34.18	229.18
	Gold Vision industries Ltd.	Directors		LC,LTR	150.00		150.00
11	Prime Steel Re-rolling Mills Limited	Managing Director	Mr.Md. Abdul Awal	B/G	-	1.11	1.11
				Total	1,492.28	59.91	1,552.19

National Credit and Commerce Bank Limited
Corporate Tax Position
as on December 31, 2011

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
2001	2002-2003	139,829,928	146,692,885	(6,862,957)	139,829,928	6,862,957	The Bank has filed appeal with the High Court Division of the Supreme Court of Bangladesh against appeal decision for excess tax liability of Tk.68.63 lac which has remained pending till date.
2003	2004-2005	163,388,876	86,888,016	76,500,860	159,999,990	(73,111,974)	According to revised assessment and appeal decision tax liability comes to Tk.8.69 crore and refund of Tk.7.31 Crore against which tax department has filed an appeal with Appellate Tribunal, The Appellate Tribunal kept the decision of DCT unchanged against which the Bank has filed appeal with High Court Division to established it's right under first proviso to section 82 of ITO-1984.
2004	2005-2006	222,971,622	222,971,622	-	226,708,126	(3,736,504)	Assessment Completed
2005	2006-2007	322,779,734	322,779,734	-	322,779,734	-	Assessment Completed
2006	2007-2008	521,077,888	571,101,414	(50,023,526)	547,620,741	23,480,673	Appeal to be filed to High Court Division
2007	2008-2009	739,994,184	768,858,741	(28,864,557)	739,195,123	29,663,618	Appeal to be filed to High Court Division
2008	2009-2010	842,159,000	842,159,000	-	828,016,518	14,142,482	Appeal filed to High Court Division
2009	2010-2011	768,839,222	768,839,222	-	768,839,222	-	Return filed but assessment order yet to receive.
2010	2011-2012	1,058,426,103	1,058,426,103	-	1,058,426,103	-	Return filed but assessment order yet to receive.
Total		4,779,466,557	4,788,716,737	(9,250,180)	4,791,415,485	(2,698,748)	

National Credit and Commerce Bank Limited

Financial Statements for the year ended December 31, 2011

a.(i) Disclosure regarding outstanding Repo as on 31 December, 2011.

Sl No	Counter Party Name	Agreement Date	Reversal Date	Amount (Ist leg cash consideration)
01	Bangladesh Bank	30.12.2011	01.01.2012	3,999,246,384
02	Standard Chartered Bank	30.12.2011	01.01.2012	996,534,750
03	Commercial Bank of Ceylon	30.12.2011	01.01.2012	121,167,436.00
Total				5,116,948,570

a.(ii) Disclosure regarding outstanding Reverse Repo as on 31 December, 2011.

Sl No	Counter Party Name	Agreement Date	Reversal Date	Amount (Ist leg cash consideration)
				NIL
Total				-

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		12,835,021,279	5,656,377,537
ii) with other banks & FIs		2,260,919,421	970,773,789
Securities Purchased under repo:			
i) from Bangladesh Bank			NIL
ii) from other banks & FIs			

National Credit and Commerce Bank Limited and its Subsidiaries
CONSOLIDATED FINANCIAL HIGHLIGHTS
For the year ended December 31, 2011

Sl. No.	Particulars	At December 31, 2011	At December 31, 2010
1	Paid-up Capital	5,941,654,350	4,501,253,300
2	Total Capital	11,863,262,912	10,033,986,280
3	Capital surplus / (Deficit)	1,341,872,912	1,760,322,280
4	Total Assets	103,683,731,860	83,554,177,553
5	Total Deposits	81,152,374,463	67,961,244,777
6	Total Loans & Advances	73,107,385,390	63,230,141,628
7	Total Contingent Liabilities	20,137,367,357	17,492,550,575
8	Credit Deposit Ratio*	0.83:01	0.93:01
9	Percentage of classified loans against total Loans & Advances	2.68%	2.27%
10	Profit after tax & provision	2,236,973,518	2,371,678,769
11	Amount of classified loan during current year	1,938,304,000	1,425,280,000
12	Provision kept against classified Loans	780,005,000	742,802,000
13	Provision surplus / (deficit)	-	-
14	Cost of Fund (%)	11.46%	9.31%
15	Interest Earning Assets	94,707,414,020	74,691,625,856
16	Non-interest Earning Assets	8,976,317,840	8,862,551,697
17	Return on Investment (ROI)	13.26%	14.95%
18	Return on Assets (ROA)	2.16%	2.84%
19	Income from Investment	2,766,346,599	1,642,016,484
20	Earning Per Share (Taka)	3.76	5.33
21	Net income Per Share (Taka)	3.76	5.33
22	Price Earning Ratio (Times)	8.07	12.91

* Credit Deposit Ratio (CDR) calculation is made as per Bangladesh Bank guidelines.

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/-
Managing Director & CEC

National Credit and Commerce Bank Limited
FINANCIAL HIGHLIGHTS OF THE BANK
For the year ended December 31, 2011

Sl. No.	Particulars	At December 31, 2011	At December 31, 2010
1	Paid-up Capital	5,941,654,350	4,501,253,300
2	Total Capital	11,825,245,670	10,033,986,280
3	Capital surplus / (Deficit)	1,327,655,670	1,760,322,280
4	Total Assets	103,510,699,339	83,554,177,553
5	Total Deposits	81,127,168,218	67,961,244,777
6	Total Loans & Advances	72,733,540,709	63,230,141,628
7	Total Contingent Liabilities	20,137,367,357	17,492,550,575
8	Credit Deposit Ratio*	0.83:01	0.93:01
9	Percentage of classified loans against total Loans & Advances	2.68%	2.27%
10	Profit after tax & provision	2,198,956,315	2,371,678,769
11	Amount of classified loan during current year	1,938,304,000	1,425,280,000
12	Provision kept against classified Loans	780,005,000	742,802,000
13	Provision surplus / (deficit)	-	-
14	Cost of Fund (%)	11.46%	9.31%
15	Interest earning Assets	94,314,167,954	74,691,625,856
16	Non-interest earning Assets	9,196,531,385	8,862,551,697
17	Return on Investment (ROI)	13.99%	14.95%
18	Return on Assets (ROA)	2.12%	2.84%
19	Income from Investment	2,916,346,539	1,642,016,484
20	Earning per Share (Taka)	3.70	5.33
21	Net income per Share (Taka)	3.70	5.33
22	Price Earning Ratio (Times)	8.21	12.91

* Credit Deposit Ratio (CDR) calculation is made as per Bangladesh Bank guidelines.

Sd/-
Chairman

Sd/-
Director

Sd/-
Director

Sd/·
Managing Director & CEC

National Credit and Commerce Bank Limited

Notes to the Financial Statements

Figure in Crore where applicable

Computation of Risk Weighted Assets (RWA)-Solo Basis

Total Risk Weighted Assets (RWA)

Particulars	2011	2010
A. Credit Risk:		
On-Balance Sheet	7,523.66	6,540.01
Off-Balance Sheet	1,819.21	1,518.76
B. Market Risk	334.41	367.45
C. Operational Risk	820.31	766.76
Total Risk Weighted Assets (A+B+C)	10,497.59	9,192.98

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

SL. No.	Particulars	Bangladesh Bank's Rating Grade	2011			2010	
			Risk Weight	Exposure	Risk Weighted Assets	Exposure	Risk Weighted Assets
a)	Cash		0%	77.49	-	73.16	-
b)	Claims on Bangladesh Government and Bangladesh Bank		0%	1837.49	-	829.83	-
	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%	67.8	67.80	65.84	65.84
	ii) Original maturity up to 3 months		20%	297.78	59.56	330.00	66.00
g)	Claims on Corporate	1	20%	106.69	21.34	-	-
		2,3	50%	123.2	61.60	67.44	33.72
		4,5	100%	42.87	42.87	-	-
		6	150%	-	-	-	-
		Unrated	125%	4311.4	5,389.25	3,202.05	4,002.56
h)	Claims under Credit Risk Mitigation	PSE	N/A	-	-	-	-
		Banks & NBFIs	N/A	-	-	-	-
		Corporate	N/A	170.25	26.82	138.99	21.80
		Retail & Small	N/A	194.08	5.89	196.58	6.46
		Cons.Finance	N/A	-	-	-	-
		Res. Property	N/A	-	-	-	-
		Comm. Real estate	N/A	-	-	-	-
i)	Claims categorized as retail portfolio and small & medium enterprise (excluding consumer loan)		75%	1070.89	803.17	1,153.49	865.12
j)	Consumer Loan		100%	29.12	29.12	30.74	30.74
k)	Claims fully secured by residential property		50%	134.96	67.48	139.47	69.74
l)	Claims fully secured by commercial real estate		100%	375.63	375.63	337.60	337.60
m)	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%	107.66	161.49	174.19	261.29
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.		100%	40.73	40.73	17.36	17.36
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.		50%	10.89	5.45	5.55	2.78
	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%	2.72	2.72	0.44	0.44
	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%	1.15	0.86	1.69	1.27
n)	Capital Market Exposures		125%	-	-	353.81	442.26
o)	Unlisted equity investments and regulatory Capital instruments issued by other banks (Other than those deducted from capital) held in the banking book		125%	49.76	62.20	46.57	58.21
p)	Investments in venture capital		150%	25.00	37.50	-	-
q)	Investments in premises,plant and equipment and all other fixed assets		100%	150.68	150.68	119.16	119.16
r)	Claims on all fixed assets under operating lease		100%	-	-	-	-
s)	All other assets:				-	-	-
	i) Claims on GoB & BB		0%	64.27	-	51.93	-
	ii) Staff Loans		20%	58.5	11.70	51.84	10.37
	iii) Cash items in Process of Collection		20%	0.21	0.04	4.12	0.82
	iv) Other assets (not specified above) [net of specific provision		100%	99.77	99.77	126.48	126.48
	Total			9450.99	7,523.66	7518.33	6,540.01

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

SL. No.	Particulars	Bangladesh Bank's Rating Grade	2011			2010	
			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%	106.88	21.38	-	-
		2	50%	27.74	13.87	31.06	15.53
		3,4	100%	0.65	0.65	-	-
		5,6	150%	-	-	-	-
		Unrated	125%	1,378.57	1,723.21	1,161.15	1,451.44
h)	Claims against retail portfolio and small & medium enterprise (excluding consumer loan)		75%	80.14	60.11	69.06	51.80
i)	Consumer Loan		100%	-	-	-	-

j)	Claims fully secured by residential property		50%	-	-	-	-
k)	Claims fully secured by commercial real estate		100%	-	-	-	-
l)	Investments in venture capital		150%	-	-	-	-
m)	All other assets		100%	-	-	-	-
	Total			1,593.98	1,819.21	1,261.27	1,518.76

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	
					2011	2010
A.	Interest Rate Related Instruments	-	17.34	17.34	173.40	287.77
B.	Equities	4.17	4.17	8.33	83.30	59.89
C.	Foreign Exchange Position	-	7.77	7.77	77.70	19.79
	Total (A+B+C)	4.17	29.28	33.44	334.40	367.45

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	
					2011	2010
A.	2009	446.65	546.87	82.03	820.31	766.76
B.	2010	588.78				
C.	2011	605.18				

Computation of Risk Weighted Assets (RWA)-Consolidated Basis

Total Risk Weighted Assets (RWA)

Particulars	2011
A. Credit Risk:	
On-Balance Sheet	7,538.22
Off-Balance Sheet	1,819.21
B. Market Risk	334.41
C. Operational Risk	829.55
Total Risk Weighted Assets (A+B+C)	10,521.39

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

SL. No.	Particulars	Bangladesh Bank's Rating Grade	2011		
			Risk Weight	Exposure	Risk Weighted Assets
a)	Cash		0%	77.49	-
b)	Claims on Bangladesh Government and Bangladesh Bank		0%	1,837.49	-
	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%	67.80	67.80
	ii) Original maturity up to 3 months		20%	297.88	59.58
g)	Claims on Corporate	1	20%	106.69	21.34
		2,3	50%	123.20	61.60
		4,5	100%	42.87	42.87
		6	150%	-	-
		Unrated	125%	4,014.12	5,017.65
h)	Claims under Credit Risk Mitigation	PSE	N/A	-	-
		Banks & NBFIs	N/A	-	-
		Corporate	N/A	170.25	26.82
		Retail & Small	N/A	194.08	5.89
		Cons.Finance	N/A	-	-
		Res. Property	N/A	-	-
		Comm. Real estate	N/A	-	-
i)	Claims categorized as retail portfolio and small & medium enterprise (excluding consumer loan)		75%	1,070.89	803.17
j)	Consumer Loan		100%	29.12	29.12
k)	Claims fully secured by residential property		50%	134.96	67.48
l)	Claims fully secured by commercial real estate		100%	375.63	375.63
m)	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%	107.66	161.49
	Where specific provisions are no less than 20 percent of the outstanding amount of the past due claim.		100%	40.73	40.73
	Where specific provisions are more than 50 percent of the outstanding amount of the past due claim.		50%	10.89	5.45
	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%	2.72	2.72
	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%	1.15	0.86
n)	Capital Market Exposures		125%	334.66	418.33
o)	Unlisted equity investments and regulatory Capital instruments issued by other banks (Other than those deducted from capital) held in the banking book		125%	51.70	64.63
p)	Investments in venture capital		150%	-	-
q)	Investments in premises,plant and equipment and all other fixed assets		100%	152.04	152.04
r)	Claims on all fixed assets under operating lease		100%	-	-
s)	All other assets:				-
	i) Claims on GoB & BB		0%	67.38	-
	ii) Staff Loans		20%	58.50	11.70
	iii) Cash items in Process of Collection		20%	0.21	0.04
	iv) Other assets (not specified above) [net of specific provision if any		100%	101.30	101.30
	Total			9,471.41	7,538.22

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

SL. No.	Particulars	Bangladesh Bank's Rating Grade	2011		
			Risk Weight	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%	106.88	21.38
		2	50%	27.74	13.87
		3,4	100%	0.65	0.65
		5,6	150%	-	-
		Unrated	125%	1,378.57	1,723.21
h)	Claims against retail portfolio and small & medium enterprise (excluding consumer loan)		75%	80.14	60.11
i)	Consumer Loan		100%	-	-
j)	Claims fully secured by residential property		50%	-	-
k)	Claims fully secured by commercial real estate		100%	-	-
l)	Investments in venture capital		150%	-	-
m)	All other assets		100%	-	-
	Total			1,593.98	1,819.21

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
					2011
A.	Interest Rate Related Instruments	-	17.34	17.34	173.40
B.	Equities	4.17	4.17	8.34	83.40
C.	Foreign Exchange Position	-	7.76	7.76	77.60
	Total (A+B+C)	4.17	29.27	33.44	334.40

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
					2011
A.	2009	446.66	553.03	82.95	829.55
B.	2010	588.79			
C.	2011	623.64			

National Credit and Commerce Bank Limited

Notes to the Financial Statements

Financial Reporting by Segments

i) Segments by Business:

Particulars	Conventional Banking	NCCB Securities and Financial Services Limited (NCCBSFSL)	Total
Income	13,923,050,158	636,147,331	14,559,197,489
Less: Inter segmental income	(149,999,940)	-	(149,999,940)
Total Income	13,773,050,218	636,147,331	14,709,197,429
Operating Profit (Profit before unallocated expenses and tax)	13,773,050,218	636,147,331	14,409,197,549
Allocated expenses	9,708,285,030	363,585,263	10,071,870,293
Provision against loans and advances and others	584,618,088	-	584,618,088
Profit/(Loss) before tax	3,480,147,100	272,562,068	3,752,709,168
Income tax including deferred tax	1,431,190,726	84,544,924	1,515,735,650
Net Profit	2,048,956,374	188,017,144	2,236,973,518
Segment Assets	103,510,699,339	173,032,521	103,683,731,860
Segment Liabilities	103,510,699,339	173,032,521	103,683,731,860

ii) Segments by geographical:	Nil
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NCCB Securities and Financial Services Limited

Statement of Financial Position

As at December 31, 2011

	Notes	2011 Taka
Sources of funds:		
Share Capital	3	250,000,000
Retained Earnings	4	38,017,144
Total Sources of funds:		288,017,144
Application of Funds		
Non-Current Assets		
Property, Plant & Equipment	5	13,617,046
Investments-at cost	6	19,401,385
Intangible Assets	7	588,000
Preliminary Expenses	8	3,192,836
		36,799,267
Current Assets		
Advance, Deposit and Prepayments	9	2,078,400
Margin Loan to Customer	10	3,346,643,229
Accounts Receivable	11	9,368,021
Cash and cash equivalents	12	942,052
		3,359,031,702
Current Liabilities		
Accounts Payable	13	51,178,298
Short Term Loan	14	2,972,798,548
Provision for Expenses	15	431,711
Other Payables	16	30,002,443
Income Tax Payable	17	53,402,825
		3,107,813,825
Net Current Assets		251,217,877
Total Application of Funds		288,017,144

These Financial Statements should be read in conjunction with the annexed notes from 1 to 25

Sd/-
Mohammed Nurul Amin
Chairman

Sd/-
Gazi Hassan Mahmood
Director

Sd/-
Md. Manjum Ali
Senior Vice President & CEO

Auditors' Report to the Shareholder
See annexed report of date

NCCB Securities and Financial Services Limited

Statement of Comprehensive Income

For the period from March 07, 2011 to December 31, 2011

	<u>Notes</u>	<u>2011 Taka</u>
Operating Income:		
Brokerage Commission	18	157,892,568
Interest on Margin Loan	19	444,466,352
Other Operating Income	20	33,449,812
		635,808,732
Less: Operating Expenses	21	14,616,960
Net Income from Operation		621,191,772
Other income	22	338,599
		621,530,372
Less: Office & Administrative Expenses	23	47,313,808
Profit before Financial Expenses		574,216,564
Less: Financial Expenses	24	301,654,496
Net Profit before Tax		272,562,068
Less: Provision for Income Tax	17	84,544,924
Net Profit after Tax		188,017,144
Appropriation:		
Interim dividend paid @ 60%		150,000,000
Retained surplus		38,017,144

These Financial Statements should be read in conjunction with the annexed notes from 1 to 25.

Sd/-
Mohammed Nurul Amin
Chairman

Sd/-
Gazi Hassan Mahmood
Director

Sd/-
Md. Manjum Ali
Senior Vice President & CEO

Auditors' Report to the Shareholder
See annexed report of date

Dhaka, February 26, 2012

Sd/-
Hoda Vasi Chowdhury & Co.
Chartered Accountants

NCCB Securities and Financial Services Ltd.

Statement of Cash Flows

For the Period from March 07, 2011 to December 31, 2011

	<u>2011</u> <u>Taka</u>
A. Cash Flow from Operating Activities:	
Net Profit/(Loss) after Tax	188,017,144
Adjustments for non-cash items:	
Depreciation on Fixed Assets.	2,215,447
Amortization of Preliminary expenses	1,262,510
Amortization of Intangible Assets	232,000
Cash from operating activities before adjustment of changes in current assets and current liabilities	191,727,101
Changes in Current Assets and Liabilities:	
Increase in:	
Receivable from Client (Clients A/c)	(3,346,643,229)
Receivable from Chittagong Stock Exchange Limited	(9,368,021)
Advance, Deposit & Prepayments	(2,078,400)
Receivable From CDBL	-
Increase in:	
Accounts Payable	27,378,937
Payable to Dhaka Stock Exchange Limited	23,799,361
Liabilities for Expenses	431,711
Other Liabilities For expenses	30,002,443
Provision for Income Tax	53,402,825
Net cash flow from operating activities	(3,031,347,273)
B. Net Cash flow from Investing Activities	
Acquisition of Fixed Assets	(15,832,493)
Investment in Membership with Dhaka Stock Exchange Limited	(400,385)
Investment in Membership with Chittagong Stock Exchange Limited	(19,001,000)
Intangible Assets	(820,000)
Preliminary Expenses	(4,455,346)
Net cash used in investing activities	(40,509,224)
C. Cash Flow from Financing Activities:	
Loan from NCC Bank Limited	2,972,798,548
Issue of Share Capital	250,000,000
Interim Dividend paid	(150,000,000)
Net cash flow from financing activities	3,072,798,548
Net Increase / Decrease, Cash or Cash Equivalent (A+B+C)	942,052
Opening Cash and Bank Balance:	-
Closing Cash & Cash Equivalents	942,052

Sd/-

Mohammed Nurul Amin
Chairman

Sd/-

Gazi Hassan Mahmood
Director

Sd/-

Md. Manjum Ali
Senior Vice President & CEO

NCCB Securities and Financial Services Limited

Statement of Changes in Equity

For the period from March 07, 2011 to December 31, 2011

Particulars	Paid up Capital	Retained Earnings	Total
	Tk.	Tk.	Tk.
Opening Balance	250,000,000		250,000,000
Net Profit after Tax		188,017,144	188,017,144
Appropriation:			
Interim Dividend paid @ 60%		(150,000,000)	(150,000,000)
Balance as on 31 December, 2011	250,000,000	38,017,144	288,017,144

Sd/-
Mohammed Nurul Amin
Chairman

Sd/-
Gazi Hassan Mahmood
Director

Sd/.
Md. Manjum Al
Senior Vice President & CEO

NCCB Securities and Financial Services Limited

Notes to the Financial Statements
For the Period from March 07, 2011 to December 31, 2011

01 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 limited company 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 effect from 07 March 2011 having registered office at 195, Sena Kalayan Bhaban, Suite # 1504 (15th floor), 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 relates 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 Preparation of Financial Statements

The Financial Statements, namely, Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and relevant notes thereto, of NCCB Securities and Financial Services Limited are prepared on a going concern and accrual basis under historical cost convention, Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) , The Companies Act-1994, and other laws and rules applicable thereto.

2.2 Functional and presentational currency

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

2.3 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 period in which the estimate is revised and in any future periods affected.

Revenue Recognition:

Income from brokerage commission is recognised on daily basis in the profit and loss 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.

Interest income on STD & Margin Loan Account is recognized when the respective banks credited on accounts.

2.4 Cash flow statement:

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

2.5 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 recognised 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 recognised in the profit and loss account as incurred.

Depreciation

Depreciation is charged to computer & peripherals on the straight line balance method and office equipment & Furniture & Fixture on the reducing balance method at rates varying from 20% & 10% to 20%.

2.6 Intangible assets

Recognition and measurement

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

Amortisation of intangible assets

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

2.7 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 37.5% on company's income from other sources. Under section 82C, income tax deducted under certain sections of the ITO is treated as final discharge of tax payer's tax liabilities from that source.

2.8 General

i) Figures have been rounded off to the nearest taka.

2011
Taka

3 Share Capital

3.1 Authorised Capital

50,000,000 shares @ of Tk. 100 each

5,000,000,000
5,000,000,000

3.2 Issued, Subscribed and Paid up Capital

2,500,000 Shares @ of Tk. 100 each

250,000,000
250,000,000

**2011
Taka**

3.3 Particulars of Shareholders and their Shareholdings:

Shareholders

Number of Shares

Amount in BDT

NCC Bank Limited

2,499,999

249,999,900

Mr.Gazi Hassan Mahmood

1

100

25,00,000

250,000,000

4 Retained Earnings

Opening balance

-

Add: Net profit during the Period

188,017,144

188,017,144

Less: Interim Dividend paid @ 60%

150,000,000

Closing retained earnings

38,017,144

5 Property, plant & Equipment

Property Plant & Equipment at Cost

22,319,551

Less: Accumulated Depreciation

8,702,505

Net Book Value

13,617,046

Attachment-'I' may kindly be seen for details.

6 Investments-at cost

Membership of Dhaka Stock Exchange Limited

400,385

Membership of Chittagong Stock Exchange Limited

19,001,000

19,401,385

7 Intangible Assets

Software at cost

820,000

Less: Amortization during the period

232,000

588,000

8 Preliminary Expenses

Trade License & TIN Certificate

20,100

Registration fee

984,225

Stamp & Share Charges

85,000

Audit Fee

15,000

DSE Entrance Fee & Club Member Fee

1,500,000

Stock Broker Registration Fee

40,000

DSE & CSE Membership and Transfer Fee

1,811,021

4,455,346

Less: Amortization during the period

1,262,510

3,192,836

9 Advance, Deposit and Prepayments:

Suspense Account-Sundry debtors	2,000,400
Advance Security Deposit	3,000
Advance to Lead Soft Bangladesh Ltd	75,000
	2,078,400
10 Margin Loan to Clients(Clients A/c)	
Margin Loan to Customer	3,346,643,229
11 Accounts Receivable	
Receivable from Chittagong Stock Exchange Limited	9,368,021
	2011
	Taka
12 Cash and cash equivalents	
Cash in Hand	-
Cash at Bank Balances:	
Current Account with:	
NCC Bank Limited	71,168
Short Term Deposit Account with	
IFIC Bank Limited	870,884
	942,052
13 Accounts Payable	
Security Deposit received from BO Account holders	25,093,029
Sundry Creditors	113,216
Payable to CDBL(BO Maintenance fee)	377,692
Payable to Dhaka Stock Exchange Limited	23,799,361
Payable to Suppliers	1,795,000
	51,178,298
14 Short Term Loan - Bank Overdraft with	
NCC Bank Limited, Motijheel Main Branch (SOD # 0002-0120002511)	2,972,798,548
15 Provision for expenses	431,711
16 Other Payables	
Income Tax payable deducted at source on suppliers bill	1,500
Income Tax payable deducted on Interim Dividend	29,999,994
VAT payable deducted at source on suppliers bill	949
	30,002,443
17 Provision for Income Tax	
Opening balance	-
Add: provision made during the period	84,544,924
	84,544,924
Less: Adjusted during the period	-
	84,544,924
Less: Advance income tax paid and deducted at sources	

Advance Tax paid in Cash (Company)	3,500,000
Tax deducted at source on interest of STD Account of IFIC Bank Limited	33,860
Tax deducted at source by Dhaka Stock Exchange Limited	25,814,430
Tax deducted at source by Chittagong Stock Exchange Limited	1,793,808
	31,142,099
Net balance at the end of the year	53,402,825
18 Brokerage Commission	
Brokerage Commission-DSE	147,949,930
Brokerage Commission-CSE	9,942,638
	157,892,568
19 Interest on Margin Loan	
	444,466,352
2011	
Taka	
20 Other Operating Income	
Account Opening Fee	188,500
BO Account Maintenance Fee	9,553,343
Margin Account Opening Fee	48,000
Marginal Renewal Fees	3,382,500
Account Closing Fee	213,363
Service Charge	2,276
Postage Charge Recovery	11,830
Other receipts	20,050,000
	33,449,812
21 Operating Expenses	
Howla Charge DSE	1,749,184
Howla Charge CSE	145,194
Laga Charge DSE	7,227,964
Laga Charge CSE	419,236
CDBL Charges	5,075,382
	14,616,960
22 Other income	
Interest Income on STD A/c with IFIC Bank Limited	338,599
23 Office & Administration Expenses	
Salary and allowances (Note-23.1)	22,228,412
Office Rent	7,808,534
Electricity -Office	1,155,940
Gas Bill-Office	46,295
Water & Sewerage Bill-Office	88,107
Legal fees & Stamps Charges	6,516
Postage & Courier	33,018
Telephone & Telex-Office	205,396
Telephone (Mobile phone Bill)	269,317
Office Stationery	334,947
Office Printing	229,024

Advertisement & Promotion	11,592
Audit Fees	30,675
Repair and Maintenance (Note-23.2)	1,596,311
Depreciation on Fixed Assets	2,215,447
Amortization of Preliminary expenses	1,262,510
Amortization of Software	232,000
Other Expenses (Note-23.3)	9,559,766
	<u>47,313,808</u>

23.1 Salary and allowances

Basic Salary	10,922,073
House Rent Allowance	2,912,537
Dearness Allowance	408,700
Entertainment Allowance	587,748
Medical Allowance	1,173,799
Conveyance Allowance	467,572
Washing Allowance	4,250
Special Allowance	2,602,600
Contribution to Provident Fund	816,292
Bonus	2,122,596
Casual Wages	210,245
	<u>22,228,412</u>

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23.2 Repairs & Maintenance

Repair & Maintenance (Office Premises)	1,369,627
Repair & Maintenance (Furniture & Fixture.)	7,560
Repair & Maintenance (Machinery & Equipments)	219,124
	<u>1,596,311</u>

23.3 Other Expenses

Utilities	247,787
Car expenses	790,000
Training	13,575
Travelling expenses	743,149
Computer Accessories	615,140
Investor Protection Fund-DSE	19,753
Investor Protection Fund-CSE	1,460
Carrying Charge	10,490
Conveyance	27,186
Entertainment	833,449
Laundry & Washing	41,181
Liverage & Uniform	25,152
Generator Fuel	273,733
Connectivity charge	5,499,326
Newspaper & Periodicals	70,507
Trade Subscription	229,700
Renewal and Registration	13,505
Bank Charges	104,674
	<u>9,559,766</u>

24 Financial Expenses

Interest Expense on Bank Overdraft with NCC Bank Limited.	301,654,496
	<u>301,654,496</u>

NCCB Securities and Financial Services Limited

Schedule of Property, Plant & Equipment
as at 31st December, 2011

Particulars	Cost			Rate of Depreciation	Depreciation			Written Down Value (WDV) at December 31, 2011	
	Balance as on March 07, 2011	Addition During the period	Disposal/ adjustment during the period		Balance as at December 31, 2011	Balance as on March 07, 2011	Charged for the period		Disposal/ adjustment during the period
Computer & Peripherals	5,780,700	-		5,780,700	20%	2,143,503	903,015	3,046,518	2,734,182
Office Equipment	6,897,414	82,700		6,980,114	20%	1,974,884	755,246	2,730,130	4,249,984
Furniture & Fixture	9,332,676	226,062		9,558,738	10%	2,368,672	557,185	2,925,857	6,632,881
Balance December 31, 2011	22,010,790	308,762		22,319,552		6,487,059	2,215,447	8,702,506	13,617,046